

Minutes of the meeting of the Board of Directors of the Cook County Health and Hospitals System held Thursday, October 27, 2011 at the hour of 7:30 A.M. at 1900 West Polk Street, in the Second Floor Conference Room, Chicago, Illinois.

I. Attendance/Call to Order

Chairman Batts called the meeting to order.

Present: Chairman Warren L. Batts, Vice Chairman Jorge Ramirez and Directors Hon. Jerry Butler; David Carvalho; Quin R. Golden; Benn Greenspan, PhD, MPH, FACHE; Sister Sheila Lyne, RSM; Luis Muñoz, MD, MPH; and Heather E. O'Donnell, JD, LLM (9)

Present

Telephonically: Director David A. Ansell, MD, MPH (1)

Absent: None (0)

Chairman Batts stated that Director Ansell was unable to be physically present, but would like to participate in the meeting telephonically.

Director Greenspan, seconded by Director Golden, moved to allow Director Ansell to participate as a voting member for this meeting telephonically. THE MOTION CARRIED UNANIMOUSLY.

Director Ansell indicated his presence telephonically at approximately 8:55 A.M.

Additional attendees and/or presenters were:

Cathy Bodnar – System Chief Compliance Officer
John Cookinham – System Interim Chief Financial Officer
Avery Hart, MD – Cermak Health Services of Cook County
Helen Haynes – Office of the System General Counsel
Dan Howard – System Chief Information Officer
Randall Mark – System Director of Intergovernmental Affairs and Policy
John O’Brien, MD – System Chair of Planning, Education and Research

Michael Puisis, MD – Cermak Health Services of Cook County
Ram Raju, MD, MBA, FACS, FACHE – Chief Executive Officer
Elizabeth Reidy – System General Counsel
Deborah Santana – Secretary to the Board
Carol Schneider – System Interim Chief Operating Officer
Deborah Tate – System Chief of Human Resources

II. Public Speakers

Chairman Batts asked the Secretary to call upon the registered speakers.

The Secretary called upon the following registered speakers:

| | | |
|----|--------------------|--|
| 1. | George Blakemore | Concerned Citizen |
| 2. | Narender Reddy | President – CompuBill Inc. |
| 3. | David Goldberg, MD | President, Medical Executive Staff of John H. Stroger, Jr. Hospital of Cook County |
| 4. | Gregory Vanduen | Mental Health Specialist – Cermak Health Services of Cook County |
| 5. | Michael Easter | Mental Health Specialist – Cermak Health Services of Cook County |

III. Board and Committee Reports**A. Minutes of the Board of Directors Meeting, September 23, 2011**

Director Butler, seconded by Director Lyne, moved the approval of the minutes of the Board of Directors Meeting of September 23, 2011. THE MOTION CARRIED UNANIMOUSLY.

B. Minutes of the Special Board Meeting, September 28, 2011

Director Butler, seconded by Director Lyne, moved the approval of the minutes of the Board of Directors Special Meeting of September 28, 2011. THE MOTION CARRIED UNANIMOUSLY.

C. Minutes of the Quality and Patient Safety Committee, October 18, 2011

During the presentation of the minutes, Director Carvalho referenced the update on the vaccination policy. He noted that the System Board approved a mandatory policy; however, compliance rates range from only 25 to 60 to 80 percent. It was determined that further discussion would take place on the subject.

Director Butler, seconded by Director Muñoz, moved the approval of the minutes of the Quality and Patient Safety Committee Meeting of October 18, 2011. THE MOTION CARRIED UNANIMOUSLY.

D. **Minutes of the Human Resources Committee Meeting, October 21, 2011

Note: this item was considered following the adjournment of closed session.

Director Golden, seconded by Director Muñoz, moved the approval of the minutes of the Human Resources Committee Meeting of October 21, 2011. THE MOTION CARRIED UNANIMOUSLY.

Director Golden, seconded by Director Butler, moved to approve the incentive payment to Dr. Terry Mason, in the amount of \$35,000, for his performance as Interim Chief Executive Officer. THE MOTION CARRIED.

Vice Chairman Ramirez voted PRESENT.

E. Minutes of the Finance Committee Meeting, October 21, 2011

Director Muñoz, seconded by Director Lyne, moved the approval of the minutes of the Finance Committee Meeting of October 21, 2011.

Director Golden presented the minutes, and noted that request numbers 9, 11 and 27 under the Contracts and Procurement Items and Supplemental Contracts and Procurement Items are being withdrawn from consideration, as they are pending review by Contract Compliance.

III. Board and Committee Reports**E. Minutes of the Finance Committee Meeting, October 21, 2011 (continued)**

Director Carvalho inquired further regarding the Contract Compliance status of request number 27; he noted that, in the future, when items are being withdrawn as a result of pending Contract Compliance review, he will be asking the using department at the time of withdrawal whether the delay will negatively impact the System's ability to perform. Director Greenspan added that the using department should provide information relating to the timeframe that indicates when the delay will negatively impact the department; this information should also be forwarded to Contract Compliance.

With regard to the withdrawal of request number 27, Dan Howard, Chief Information Officer, stated that the delay will not affect the System negatively, at this point. Director Carvalho inquired whether the System Board retains the authority to purchase, notwithstanding compliance with the County's Code on Minority and Women-Owned Business Enterprises. Elizabeth Reidy, System General Counsel, responded that the State's Attorney has opined that the System Board retains that authority; however, she stated that she will revisit the matter with the State's Attorney's Office to confirm.

John Cookinham, System Interim Chief Financial Officer, provided an update on the matter regarding the State's processing of the System's Medicaid eligibility applications. He stated that there is essentially no new change in the rate of processing; it doesn't appear that there is a gain in the processing of the backlog of applications. He stated that the System is slightly better than it has been on a year-to-date average. He noted that the System will receive weekly reports on the rejected applications. Mr. Cookinham stated that he will provide information to the Board regarding the current size of the backlog. Director Carvalho requested that information be provided regarding the number of System patients who are determined to be ineligible for Medicaid by the System and therefore do not have an eligibility application processed.

Director Golden, seconded by Director Muñoz, moved to amend the motion, to approve the minutes, with the exception of request numbers 9, 11 and 27, which are being withdrawn, under the Contracts and Procurement Items and Supplemental Contracts and Procurement Items contained within the minutes. THE MOTION, AS AMENDED, CARRIED.

Director Carvalho voted PRESENT on request numbers 1, 2, 4 and 6 under the Contracts and Procurement Items.

F. **Minutes of the Audit and Compliance Committee Meeting, October 25, 2011

Note: this item was considered following the adjournment of closed session.

Director Muñoz, seconded by Director Butler, moved the approval of the minutes of the Audit and Compliance Committee Meeting of October 25, 2011. THE MOTION CARRIED UNANIMOUSLY.

IV. Action Items**A. CORE Foundation Appointment - transmitting a communication from Cook County Board President Toni Preckwinkle, requesting approval of the appointment of Dr. Ramanathan Raju to the CORE Foundation, for a term to begin immediately and expire December 31, 2013 (Attachment #1)**

Director Butler, seconded by Director Lyne, moved the approval of the appointment of Dr. Ramanathan Raju to the CORE Foundation, for a term to begin immediately and expire December 31, 2013. THE MOTION CARRIED UNANIMOUSLY.

B. Contracts and Procurement Items (Attachment #2)

This item was withdrawn.

C. Any items listed under Sections III, IV and VII**D. Collective bargaining agreement between the Cook County Health and Hospitals System, the County of Cook, and the American Federation of State, County and Municipal Employees (AFSCME) Council 31, Locals 1111, 1178 and 1276, representing the Job Codes/Classifications included on Attachment #3, for the period of December 1, 2008 – November 30, 2012 (Reviewed by the Human Resources Committee on October 21, 2011)**

Note: this item was considered following the adjournment of closed session.

Director Muñoz, seconded by Director Butler, moved the approval of the collective bargaining agreement between the Cook County Health and Hospitals System, the County of Cook, and the American Federation of State, County and Municipal Employees (AFSCME) Council 31, Locals 1111, 1178 and 1276, representing the Job Codes/Classifications included on Attachment #3, for the period of December 1, 2008 – November 30, 2012. THE MOTION CARRIED.

Vice Chairman Ramirez voted PRESENT.

E. Collective bargaining agreement between the Cook County Health and Hospitals System, the County of Cook, and the Doctors' Council Service Employees International Union (SEIU), representing Attending Physicians, Psychologists, Dentists and Podiatrists, for the period of December 1, 2008 – November 30, 2012 (Reviewed by the Human Resources Committee on October 21, 2011)

Note: this item was considered following the adjournment of closed session.

Director Greenspan, seconded by Director Muñoz, moved the approval of the collective bargaining agreement between the Cook County Health and Hospitals System, the County of Cook, and the Doctors' Council Service Employees International Union (SEIU), representing Attending Physicians, Psychologists, Dentists and Podiatrists, for the period of December 1, 2008 – November 30, 2012. THE MOTION CARRIED.

Vice Chairman Ramirez voted PRESENT.

IV. Action Items (continued)

F. Proposed Academic Affiliation Agreements (Attachment #4)

(Reviewed by the Finance Committee on October 21, 2011)

Dr. John O'Brien, System Chair of Planning, Education and Research, provided an overview of the five proposed Agreements. The Board reviewed and discussed the information.

Director Lyne, seconded by Director Butler, moved the approval of the proposed Academic Affiliation Agreements. THE MOTION CARRIED.

Director Golden voted PRESENT on request number 2.

G. Proposed Amendments to the CCHHS Procurement Policy (Attachment #5)

(Reviewed by the Finance Committee on October 21, 2011)

Helen Haynes, System Associate General Counsel, provided an overview of the item presented. Recent revisions to the County's Procurement Code were adopted by the County Board on September 7, 2011; to ensure that the System's Procurement Policy remains consistent with the County's Procurement Code, amendments to the System's Procurement Policy to reflect these changes are presented to the Committee for consideration. Most of the revisions to the County's Procurement Code went into effect on October 7th.

Ms. Haynes highlighted several of the proposed revisions. She noted that additional revisions are recommended at this time, including those relating to the contract management section toward the end of the Policy; a change in the term "Procurement Director" to reflect the title that is in operational use, which is System Director of Supply Chain Management, or System SCM Director; and to clarify that the System SCM Director may serve as a signatory on transactions under \$150,000.

Director Carvalho noted that there are currently provisions that require certain contracting information to be posted on the internet. Additionally, he stated that other provisions require that a log be kept of any outside efforts to interfere with purchasing. He inquired whether the Board can require that the log be posted on the internet. Ms. Haynes responded affirmatively.

Director Carvalho, seconded by Vice Chairman Ramirez, moved to approve the proposed Amendments to the CCHHS Procurement Policy.

Director Carvalho, seconded by Vice Chairman Ramirez, moved to amend the motion, to include provisions in the CCHHS Procurement Policy that the log of outside efforts to interfere with purchasing be posted on the internet. THE MOTION CARRIED UNANIMOUSLY.

On the main motion, as amended, a voice vote was taken and THE MOTION CARRIED UNANIMOUSLY

IV. Action Items

H. Seeking ratification of proposed appropriation reductions to the FY2012 CCHHS Budget as identified by CCHHS management post-approval of the CCHHS FY2012 Preliminary Budget. This item is in response to President Toni Preckwinkle's request for additional reductions to the CCHHS FY2012 budget which may be achieved by way of amendments to the President's Executive Budget Recommendation for the County's FY2012 budget (Attachment #6)

Dr. Ram Raju, Chief Executive Officer, reviewed the information provided. Discussion took place on the question of whether the proposed appropriation reductions will interfere with the System's ability to implement managed care or interfere with the 1115 Waiver. Additionally, the Board discussed the need to increase revenue and retain patients; further discussion took place on the potential impact that any further reductions to the System's appropriations will have on the System's ability to provide services.

Director Carvalho, seconded by Vice Chairman Ramirez, moved to ratify the proposed appropriation reductions to the FY2012 CCHHS Budget as identified by CCHHS management post-approval of the CCHHS FY2012 Preliminary Budget. **THE MOTION CARRIED UNANIMOUSLY.**

V. Report from Chairman of the Board

Chairman Batts provided an update on the following matters.

Two Upcoming System Board Public Hearings on Budget

Chairman Batts stated that two public hearings have been set by the System Board for November 2nd and November 4th, for the purpose of conducting public hearings on the proposed Cook County Health and Hospitals System Budget contained in the Cook County Executive Budget for FY2012.

Appointment of Director Butler to Human Resources Committee

Chairman Batts informed the Board that Director Butler has agreed to serve on the Human Resources Committee temporarily, until a new Director is appointed to the Board.

Update on Cook County Health Foundation

Chairman Batts stated that he will be meeting with Directors Greenspan and Muñoz to work on the selection of the two members appointed by the Board to the Foundation. He stated that there is a potential donor who may be interested in donating \$10 million to the clinics; once the two Board-appointed members are selected, the other activities necessary to the setup of the Foundation will follow.

Update on Activities relating to 1115 Waiver

Randall Mark, System Director of Intergovernmental Affairs and Policy, provided an update on the activities relating to the 1115 Waiver. He stated that conversations have been held with the Illinois Department of Health and Family Services for more than a year; the basic concept is that the System is seeking a waiver of provisions that would allow the System to do early enrollment of the new eligibles under Health Reform in 2014. One month ago, the System submitted a revised concept paper, written specifically for a federal audience; the System has asked the State to either set up a meeting between the State, System and CMS to discuss the waiver, or to give the System permission to meet with CMS on its own.

V. Report from Chairman of the Board (continued)**A. Board Education - Presentation on Conflict of Interest Policy (Attachment #7)**

Cathy Bodnar, System Chief Compliance Officer, provided a presentation on the Conflict of Interest Policy. The Board reviewed and discussed the information.

Director Muñoz inquired regarding the timelines for automation. Ms. Bodnar stated that this will be a web-based survey; she noted that she will provide further information at the next Audit and Compliance Committee meeting in November.

VI. Report from Chief Executive Officer (Attachment #8)

Dr. Raju provided an update on the following subjects: FY2012 Budget; Board of Directors Vacancy; CareLink; Physician Indemnification; Prenatal Services Clinic Move; Provident Hospital Accreditation; and new Supply Chain Management Director. Additionally, Dr. Raju thanked Dr. Terry Mason for his service in the role of Interim Chief Executive Officer.

For the record, Director Carvalho noted that there was a matter that he should have disclosed at the September 28th Special Board Meeting. He stated that when the Preliminary Budget was being put together, there was a directive to preserve services; however, the Access to Care budget was mistakenly cut in half. When the time came to vote on the Preliminary Budget, the funding had not yet been restored. To remedy the situation, Director Carvalho made a motion to amend, to increase the funding for Access to Care to restore it to the previous year's level; this was approved by the Board at the September 28th Board Meeting.

Director Carvalho stated that, typically when Access to Care is discussed, he points out to the Board that he is one of the County's representatives on the Board of Access to Care. He stated that he should have made that disclosure at that time on September 28th.

VII. Closed Session Items**A. Update on Cermak activities relating to Consent Decree****B. **Minutes of the Human Resources Committee Meeting, October 21, 2011****C. **Minutes of the Audit and Compliance Committee Meeting, October 25, 2011**

Director Butler, seconded by Director Greenspan, moved to recess the regular session and convene into closed session, pursuant to the following exceptions to the Illinois Open Meetings Act: 5 ILCS 120/2(c)(1), regarding "the appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the public body or legal counsel for the public body, including hearing testimony on a complaint lodged against an employee of the public body or against legal counsel for the public body to determine its validity," 5 ILCS 120/2(c)(2), regarding "collective negotiating matters between the public body and its employees or their representatives, or deliberations concerning salary schedules for one or more classes of employees," and 5 ILCS 120/2(c)(11), regarding "litigation, when an action against, affecting or on behalf of the particular body has been filed and is pending before a court or administrative tribunal, or when the public body finds that an action is probable or imminent, in which case the basis for the finding shall be recorded and entered into the minutes of the closed meeting."

VII. Closed Session Items (continued)

On the motion to recess the regular session and convene into closed session, a roll call was taken, the votes of yeas and nays being as follows:

Yea: Chairman Batts, Vice Chairman Ramirez and Directors Butler, Carvalho, Golden, Greenspan, Lyne, Muñoz and O'Donnell (9)

Nay: None (0)

Absent: Director Ansell (1)

THE MOTION CARRIED UNANIMOUSLY and the Board convened into closed session.

Chairman Batts declared that the closed session was adjourned. The Board reconvened into regular session.

VIII. Adjourn

As the agenda was exhausted, Chairman Batts declared the MEETING ADJOURNED.

Respectfully submitted,
Board of Directors of the
Cook County Health and Hospitals System

XXXXXXXXXXXXXXXXXXXX
Warren L. Batts, Chairman

Attest:

XXXXXXXXXXXXXXXXXXXX
Deborah Santana, Secretary

Cook County Health and Hospitals System
Minutes of the Board of Directors Meeting
October 27, 2011

ATTACHMENT #1



OFFICE OF THE PRESIDENT
BOARD OF COMMISSIONERS OF COOK COUNTY
118 NORTH CLARK STREET
CHICAGO, ILLINOIS 60602
(312) 603-6400
TDD (312) 603-5255

TONI PRECKWINKLE
PRESIDENT

October 14, 2011

Honorable Members of the Cook County
Health and Hospitals System Board
1900 West Polk Street, Suite 220
Chicago, Illinois 60612

Re: New Appointment – CORE Foundation Board

Dear Commissioners:

Please be advised that I hereby appoint Dr. Ramanathan Raju to the CORE Foundation Board for a term to begin immediately and to expire on December 31, 2013. Dr. Raju will fill the vacancy of William T. Foley.

I submit this communication for your approval.

Very truly yours,

Toni Preckwinkle
President

APPROVED

OCT 27 2011

BY BOARD OF
DIRECTORS OF THE COOK COUNTY
HEALTH AND HOSPITALS SYSTEM

Cook County Health and Hospitals System
Minutes of the Board of Directors Meeting
October 27, 2011

ATTACHMENT #2

COOK COUNTY HEALTH AND HOSPITALS SYSTEM

ITEM IV(B)

OCTOBER 27, 2011 BOARD OF DIRECTORS MEETING

CONTRACTS AND PROCUREMENT ITEMS

| Request # | Vendor | Service or Product | Fiscal Impact | Affiliate / System | Begins on Page # |
|-------------------------------------|-----------------------------|---|----------------|--------------------|------------------|
| Amend and Increase Contracts | | | | | |
| 1 | PricewaterhouseCoopers, LLP | Service - Cerner/Siemens re-engineering | \$3,990,000.00 | System | 2 |
| 2 | PricewaterhouseCoopers, LLP | Service - physician billing vendor management support | \$519,500.00 | System | 4 |

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

| | | | |
|---|---|--|--|
| SPONSOR: John Cookinham, Interim Chief Financial Officer, CCHHS Daniel J. Howard, Chief Information Officer, CCHHS | | <i>John Cookinham Daniel J. Howard</i> | |
| DATE: 10/19/2011 | PRODUCT / SERVICE: Service - Cerner / Siemens Re-engineering | | |
| TYPE OF REQUEST: Amend and Increase Contract | VENDOR / SUPPLIER: PricewaterhouseCoopers, LLP, Chicago, Illinois | | |
| FISCAL IMPACT: 890-260 CCHHS | \$3,990,000.00 | GRANT FUNDED AMOUNT: N/A | |
| CONTRACT PERIOD: 11/01/2011 thru 10/31/2012 | CONTRACT #: H10-25-113-2011A | | |
| <input checked="" type="checkbox"/> COMPETITIVE SELECTION METHODOLOGY: [BID / RFP / GPO / OMP] | RFP | | |
| NON-COMPETITIVE SELECTION METHODOLOGY: [SOLE SOURCE] | | | |
| N/A | | | |

PRIOR CONTRACT HISTORY:

The Board of Directors of CCHHS approved execution of contract H10-25-113 with PricewaterhouseCoopers, LLP to provide performance improvement implementation services. As per existing agreement with PwC, under scope of services section (I-B), this contract allows for the provision of additional Statements of Work (SOW) to be added, changed and/or modified given the nature of the healthcare environment.

NEW PROPOSAL JUSTIFICATION:

This is a request to amend and increase the current contract with PwC to provide an additional Statement of Work to allow for the implementation of the standardized charge capture, physician documentation and billing for services performed by CCHHS.

Statement of Work: Revenue Cycle Optimization, Cerner / Siemens Re-Engineering Project (2011-A)

In collaboration with CCHHS IT, Revenue Cycle, Cerner and Siemens vendor resources, and McKesson, PwC will provide oversight support, project management, and subject matter expertise for the work effort related to the Revenue Cycle Optimization and Cerner / Siemens Re-Engineering project. The work effort spans across multiple functional areas to include: patient access; charge capture for facility services performed; charge capture for professional services performed; CDM for facility services; clinical operations workflow; clinical informatics; and billing. The professional services CDM and related billing is excluded from this statement of work and included in a separate vendor contract with McKesson. The initiative objectives are to fully utilize the existing Cerner EMR to capture data related to the services performed during the patient visit and to interface with Siemens for the billing of services as appropriate. The initial grouping of clinics/departments was selected by identifying those clinics/departments with the most diverse needs and collectively representing a high portion of the outpatient revenue. These areas represent over 60% of the outpatient revenue 9/30/11 YTD net of Medicaid FMAP/IGT payment, and over 50 locations (multiple locations associated with select clinics/departments). These locations will serve as the foundation for system-wide implementation for the remaining clinics/departments. The effort will include a "Train-the-Trainer" approach to enable CCHHS to continue the implementation roll out to the remaining clinics/department locations. A listing of the first eighteen (18) departments/clinics is as follows:

| WITHDRAWN | | | |
|------------------|---------------------------|---------------|---------------------------------|
| Dialysis | Periop (Same Day Surgery) | Fantus GMC | Lab |
| Oncology | Radiology | Orthopedics | Cardiology |
| Ophthalmology | Radiation Therapy | Prieto Clinic | Cicero Health Center |
| Physical Therapy | Vista Health Clinic | ED | OFH Outpatient Specialty Clinic |
| Nuclear Medicine | Fantus OB | | |

Request #

1

- Ambulatory & Community Health Network • Cermak Health Services • Department of Public Health •
- John H. Stroger, Jr. Hospital of Cook County • Oak Forest Hospital • Provident Hospital • Ruth M. Rothstein CORE Center •

| | |
|--|---|
| DATE: 10/19/2011 | PRODUCT / SERVICE: Service - Cerner / Siemens Re-engineering |
| TYPE OF REQUEST: Amend and Increase Contract | VENDOR / SUPPLIER: PricewaterhouseCoopers, LLP, Chicago, Illinois |

FINANCIAL BENEFIT: [Prior Cost versus New Cost]

Savings calculation: N/A

Percent: N/A

TERMS OF REQUEST:

This is a request to amend contract H10-25-113 to include an additional SOW to support the Revenue Cycle Transformation efforts and to increase the contract amount by \$3,990,000.00

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE? Yes

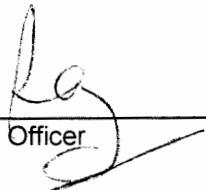
ATTACHMENTS

BID TABULATIONS: N/A

CONTRACT COMPLIANCE MEMO: Yes

CCHHS CEO:

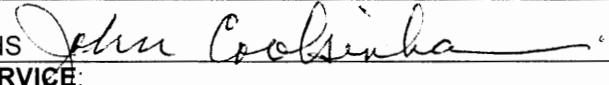
Ram Raju, Chief Executive Officer



- Ambulatory & Community Health Network • Cermak Health Services • Department of Public Health •
- John H. Stroger, Jr. Hospital of Cook County • Oak Forest Hospital • Provident Hospital • Ruth M. Rothstein CORE Center •

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

| | | |
|--|--|--|
| SPONSOR: John Cookinham, Interim Chief Financial Officer, CCHHS | |  |
| DATE: 10/19/2011 | PRODUCT / SERVICE: Service - Physician Billing Vendor Management Support | |
| TYPE OF REQUEST: Amend and Increase Contract | VENDOR / SUPPLIER: PricewaterhouseCoopers, LLP, Chicago, Illinois | |
| FISCAL IMPACT: 890-260 CCHHS | \$519,500.00 | GRANT FUNDED AMOUNT: N/A |
| CONTRACT PERIOD: 11/01/2011 thru 10/31/2012 | | CONTRACT #: H10-25-113-2011B |
| <input checked="" type="checkbox"/> COMPETITIVE SELECTION METHODOLOGY: [BID / RFP / GPO / OMP] RFP | | |
| <input type="checkbox"/> NON-COMPETITIVE SELECTION METHODOLOGY: [SOLE SOURCE] N/A | | |

PRIOR CONTRACT HISTORY:

The Board of Directors of CCHHS approved execution of contract H10-25-113 with PricewaterhouseCoopers, LLP to provide performance improvement implementation services. As per existing agreement with PwC, under scope of services section (I-B), this contract allows for the provision of additional Statements of Work (SOW) to be added, changed and/or modified given the nature of the healthcare environment.

NEW PROPOSAL JUSTIFICATION:

This is a request to amend and increase the current contract with PwC to provide an additional Statement of Work to allow for proactive vendor management support related to the physician billing vendor activities currently being performed for CCHHS by McKesson. This vendor management support is for a twelve month period or upon receipt of a thirty day notice, whichever occurs first. The thirty days notice will provide the time frame in which to transition activities to the designated CCHHS resource(s) who will assume these activities for the Health System.

Statement of Work: Physician Billing Vendor Management (2011-B)

PwC will perform activities that are typically performed by the CCHHS Vendor Management Department. Currently CCHHS does not have resource(s) with physician documentation, coding, charge capture and billing expertise with the bandwidth to assume the role of managing one of the health systems vendors having a high annualized revenue impact.

Activities include but are not limited to:

1. Utilize workflow information obtained from physician interviews, analysis of data and scope of services provided by the Physician Billing Vendor to provide operational support related to physician billing and education tasks.
2. Provide current state CCHHS insight to the billing vendor, highlighting areas of opportunity and gaps related to physician charge capture, documentation, clinic structure and reporting. PwC will work with CCHHS and Physician Billing Vendor to support work plans focusing on accurate and compliant physician services billing to build momentum that translates into financial or operational gains.
3. Provide implementation status and proactively escalate issues and barriers that impede or slow the overall implementation of professional services billing across the enterprise.

WITHDRAWN

FINANCIAL BENEFIT: [Prior Cost versus New Cost]

Savings calculation: N/A

Percent: N/A

Request #

2

TERMS OF REQUEST:

This is a request to amend contract H10-25-113 to include an additional SOW to support the Revenue Cycle

- Ambulatory & Community Health Network • Cermak Health Services • Department of Public Health •
- John H. Stroger, Jr. Hospital of Cook County • Oak Forest Hospital • Provident Hospital • Ruth M. Rothstein CORE Center •

Transformation efforts and to increase the contract amount by \$519,500.00

| | |
|--|---|
| DATE: 10/19/2011 | PRODUCT / SERVICE: Service - Physician Billing Vendor Management |
| TYPE OF REQUEST: Amend and Increase Contract | VENDOR / SUPPLIER: PricewaterhouseCoopers, LLP, Chicago, Illinois |

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE? Yes

ATTACHMENTS

BID TABULATIONS: N/A

CONTRACT COMPLIANCE MEMO: Yes

CCHHS CEO: Raj
Ram Raju, Chief Executive Officer



- Ambulatory & Community Health Network • Cermak Health Services • Department of Public Health •
- John H. Stroger, Jr. Hospital of Cook County • Oak Forest Hospital • Provident Hospital • Ruth M. Rothstein CORE Center •

Cook County Health and Hospitals System
Minutes of the Board of Directors Meeting
October 27, 2011

ATTACHMENT #3

ATTACHMENT A

October 27, 2011
 Board of Directors Meeting

Item IV(D)

Collective bargaining agreement between the Cook County Health and Hospitals System, the County of Cook, and the American Federation of State, County and Municipal Employees (AFSCME) Council 31, Locals 1111, 1178 and 1276, representing the following Job Codes/Classifications, for the period of December 1, 2008 – November 30, 2012:

| | |
|------|--|
| 0046 | Administrative Assistant I |
| 0046 | Administrative Assistant I |
| 0047 | Administrative Assistant II |
| 0047 | Administrative Assistant II |
| 0141 | Accountant |
| 0142 | Accountant II |
| 0143 | Accountant III |
| 0144 | Accountant IV |
| | |
| 0170 | Bookkeeper I |
| 0172 | Bookkeeper II |
| 0173 | Bookkeeper III |
| 0182 | Collector |
| 0227 | Cashier II |
| 0228 | Cashier III |
| 0271 | Statistician & Information Technician I |
| 0273 | Statistician & Information Technician II |
| 0853 | Interpreter |
| 0904 | Clerk II |
| 0904 | Clerk II (Sr. Clerk) |
| 0905 | Clerk III |
| 0905 | Clerk III |
| 0906 | Clerk IV |
| 0906 | Clerk IV |
| 0907 | Clerk V |
| 0907 | Clerk V |
| 0910 | Clerk |
| 0911 | Senior Clerk |
| 0916 | Credit Counselor |
| 0919 | Business Office Supervisor |
| 0923 | Patient Account Representative |
| 0934 | Stenographer III |
| 0935 | Stenographer IV |
| 0935 | Stenographer IV |

| | |
|------|---------------------------------------|
| 0936 | Stenographer |
| 0936 | Stenographer V |
| 0939 | Clerk Typist |
| 0940 | Typist III |
| 0941 | Clerk Typist Senior |
| 0953 | Data Entry Operator I |
| 0954 | Data Entry Operator II |
| 0955 | Data Entry Operator III |
| 1001 | Telephone Operator I |
| 1002 | Telephone Operator II |
| 1003 | Telephone Operator III |
| 1006 | Telephone Operator |
| 1050 | Patient Service Coordinator |
| 1101 | Computer Operator I |
| 1102 | Computer Operator II |
| 1103 | Computer Operator III |
| 1233 | Storekeeper III |
| 1234 | Stenographer V |
| 1234 | Storekeeper IV |
| 1235 | Storekeeper V |
| 1510 | Caseworker (Ryan White Grant@ACHN) |
| 1512 | Caseworker II |
| 1513 | Caseworker III |
| 1518 | Caseworker (MANG Unit) |
| 1522 | Medical Social Worker I |
| 1626 | Activities Worker II |
| 1627 | Activities Worker II |
| 1676 | Reproduction Technician I |
| 1677 | Reproduction Technician III |
| 1693 | Medical Transcriber |
| 1836 | Dentist II |
| 1905 | Screening Hearing & Vision Technician |
| 1963 | Dental Assistant |
| 1965 | Licensed Practical Nurse I |
| 2010 | Medical Records Technician |

October 27, 2011
Board of Directors Meeting

Item IV(D) (continued)

| | |
|------|---|
| 2011 | Medical Records Technician, Sr. |
| 2022 | Public Health Educator I |
| 2022 | Public Health Educator Sr. |
| 2048 | Physical Therapy Scheduler |
| 2056 | Activity Therapist I |
| 2057 | Activity Therapist II |
| 2073 | Medical Records Technician, Jr. |
| 2094 | Dental Hygienist |
| 2096 | Health Advocate |
| 2112 | Nutritionist I |
| 2120 | Epidemiologist I |
| 2135 | Diet Technician |
| 2155 | Laundry Manager I |
| | |
| 2176 | Food Service Supervisor (Stroger) |
| 2420 | Building Service Supervisors |
| 2430 | Parking Lot Attendant |
| | |
| 4003 | Health Service Representative (Customer Service Clerks) |
| 4080 | Clerk IV (Public Health) |
| 4640 | Collector II |
| 4723 | Pharmacy Technician (non-certified) |
| 4082 | Health Advocate (Public Health) |
| 4084 | Caseworker II (Public Health) |
| 4110 | Epidemiologist Sr. |

Cook County Health and Hospitals System
Minutes of the Board of Directors Meeting
October 27, 2011

ATTACHMENT #4

COOK COUNTY HEALTH AND HOSPITALS SYSTEM

ITEM IV(F)

OCTOBER 27, 2011 BOARD OF DIRECTORS MEETING

PROPOSED ACADEMIC AFFILIATION AGREEMENTS

| Request # | Vendor | Service | Fiscal Impact | Affiliate / System | Begins on Page # |
|---|--|--|--------------------|--------------------|------------------|
| Amendment to Cooperative Educational Master Agreement | | | | | |
| <i>Recommended for Approval by the Quality and Patient Safety Committee on October 18, 2011</i> | | | | | |
| 1 | Vanguard Health System / Weiss Memorial Hospital | Service - Cooperative Educational Master Agreement | No fiscal impact | System | 2 |
| Renewal of Cooperative Educational Master Agreements | | | | | |
| <i>Recommended for Approval by the Quality and Patient Safety Committee on May 17, 2011</i> | | | | | |
| 2 | University of Chicago Northshore University Health System | Service - Cooperative Educational Master Agreement | No fiscal impact | SHCC | 3 |
| <i>Recommended for Approval by the Quality and Patient Safety Committee on May 17, 2011</i> | | | | | |
| 3 | West Suburban Medical Center | Service - Cooperative Educational Master Agreement | No fiscal impact | SHCC | 4 |
| Execute Program Addendum | | | | | |
| <i>Recommended for Approval by the Quality and Patient Safety Committee on May 17, 2011</i> | | | | | |
| 4 | Rush Medical Center | Service - Emergency Medicine Resident Program Addendum | Revenue generating | SHCC | 5 |
| Execute Affiliation Agreement | | | | | |
| <i>Recommended for Approval by the Quality and Patient Safety Committee on May 17, 2011</i> | | | | | |
| 5 | Midwest Palliative and Hospice CareCenter | Service - Palliative Care Fellowship Affiliation Agreement | Revenue generating | SHCC | 6 |

Cook County Health & Hospitals System

AS AMENDED BOARD APPROVAL REQUEST

| | | | |
|--|---|------------------------------------|--|
| SPONSOR: John O'Brien, M.D., Chairman of Planning, Education and Research, CCHHS | | <i>John O'Brien 10/7/11</i> | |
| DATE: 09/09/2011 | PRODUCT / SERVICE: Service – Cooperative Educational Master Agreement | | |
| TYPE OF REQUEST: Amendment to Cooperative Educational Master Agreement | VENDOR / SUPPLIER: Vanguard Health System / Weiss Memorial Hospital Chicago, Illinois | | |
| FISCAL IMPACT / ACCOUNT: 897-272 Stroger Hospital | None | GRANT FUNDED AMOUNT: N/A | |
| CONTRACT PERIOD: 10/31/2011 thru 06/30/2016 | | CONTRACT #: 08-41-358 | |
| COMPETITIVE SELECTION METHODOLOGY: [BID / RFP / GPO / OMP] N/A | | | |
| NON-COMPETITIVE SELECTION METHODOLOGY: [SOLE SOURCE] N/A | | | |

PRIOR CONTRACT HISTORY:

This is an Amendment to a Cooperative Educational Master Agreement (CEMA) which provides for a podiatry residency program between Cook County Health and Hospitals System and Vanguard Health System/Weiss Memorial Hospital.

Oak Forest Health Center is now a regional outpatient center therefore; the parties wish to amend the Agreement to reflect the correct designations for each party and to permit the use of any CCHHS facility for purposes of the podiatry residency training rotations that previously occurred only at Oak Forest Hospital of Cook County.

NEW PROPOSAL JUSTIFICATION:

This CEMA Amendment allows podiatry residents to rotate at Stroger Hospital, in addition to other Cook County Health and Hospitals System entities. This agreement was reviewed by Director Lyne on April 29, 2011 and by the Quality and Patient Safety Committee on May 17, 2011.

FINANCIAL BENEFIT: [Prior Cost versus New Cost]

Savings calculation: N/A

Percent: N/A

TERMS OF REQUEST:

This is a request to amend contract for a period of 56 months from 10/31/2011 thru 06/30/2016.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE? N/A

ATTACHMENTS

BID TABULATIONS: N/A

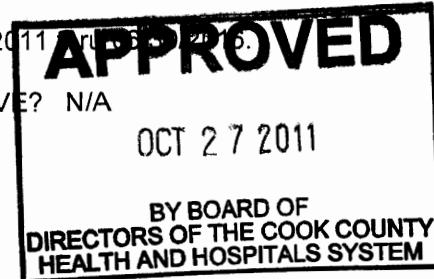
CONTRACT COMPLIANCE MEMO: N/A

CCHHS COO:

Carol Schneider, Interim Chief Operating Officer

CCHHS CFO:

John Cookinham, Interim Chief Financial Officer



Request #
1

- Ambulatory & Community Health Network • Cermak Health Services • Department of Public Health •
- John H. Stroger, Jr. Hospital of Cook County • Oak Forest Hospital • Provident Hospital • Ruth M. Rothstein CORE Center •

Cook County Health & Hospitals System

AS AMENDED BOARD APPROVAL REQUEST

| | | |
|--|--|------------------------------------|
| SPONSOR: John O'Brien, M.D., Chairman of Planning, Education and Research, CCHHS | | <i>John 10/7/11</i> |
| DATE: 09/09/2011 | PRODUCT / SERVICE: Service – Cooperative Educational Master Agreement | |
| TYPE OF REQUEST: Renewal of Cooperative Educational Master Agreement | VENDOR / SUPPLIER: University of Chicago Northshore University Health System, Evanston, Illinois | |
| FISCAL IMPACT / ACCOUNT: 897-272 Stroger Hospital | None | GRANT FUNDED AMOUNT: N/A |
| CONTRACT PERIOD: 01/01/2012 thru 12/30/2017 | CONTRACT #: <u>06-41-195 07-41-409</u> | |
| COMPETITIVE SELECTION METHODOLOGY: [BID / RFP / GPO / OMP] N/A | | |
| NON-COMPETITIVE SELECTION METHODOLOGY: [SOLE SOURCE] N/A | | |

PRIOR CONTRACT HISTORY:

This is a renewal of a Cooperative Educational Master Agreement (CEMA) between the Cook County Health and Hospitals System and University of Chicago Northshore University Health System. This original CEMA was under a 10 year agreement, new regulations by the Accreditation Council for Graduate Medical Education now requires CEMA renewals every five years, necessitating renewal of this active agreement.

NEW PROPOSAL JUSTIFICATION:

This CEMA renewal allows agreements for Stroger Hospital residents to rotate to University of Chicago Northshore University Health System locations and for University of Chicago Northshore University Health System residents to rotate at CCHHS locations for a clinical training experience. This agreement was reviewed by Director Lyne on April 29, 2011 and by the Quality and Patient Safety Committee on May 17, 2011.

FINANCIAL BENEFIT: [Prior Cost versus New Cost]

Savings calculation: N/A

Percent: N/A

TERMS OF REQUEST: 07-41-409

This is a request to renew contract 06-41-195 for a period of 60 months from 01/01/2012 thru 12/30/2017.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE? N/

ATTACHMENTS

BID TABULATIONS: N/A

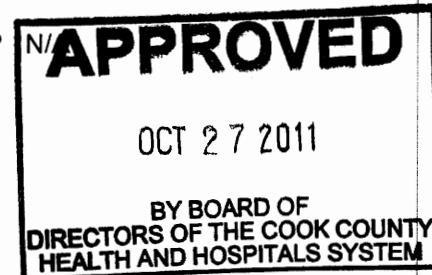
CONTRACT COMPLIANCE MEMO: N/A

CCHHS COO: Carol Schneider

Carol Schneider, Interim Chief Operating Officer

CCHHS CFO: John Cookingham

John Cookingham, Interim Chief Financial Officer



Request #
2

- Ambulatory & Community Health Network • Cermak Health Services • Department of Public Health •
- John H. Stroger, Jr. Hospital of Cook County • Oak Forest Hospital • Provident Hospital • Ruth M. Rothstein CORE Center •

Cook County Health & Hospitals System

Toni Preckwinkle • President
Cook County Board of Commissioners

Warren L. Batts • Chairman
Cook County Health & Hospital System

Jorge Ramirez • Vice-Chairman
Cook County Health & Hospitals System

Ramanathan Raju, M.D., • CEO
Cook County Health & Hospitals System



Supply Chain Management & Procurement Department John H. Stroger, Jr. Hospital

1969 West Ogden Avenue, LL250
Chicago, IL 60612
Tel: (312) 864-4800
Fax (312) 864-9329

Health System Board Members
Dr. David A. Ansell
Commissioner Jerry Butler
David N. Carvalho
Quin R. Golden
Benn Greenspan
Sr. Sheila Lyne
Dr. Luis R. Munoz
Heather E. O'Donnell

Carol Schneider • Interim COO
Cook County Health & Hospitals System

December 9, 2011

To: Deborah Santana, Secretary to the Board
Cook County Health and Hospitals System

From: Nita Stith, Interim System Director, Supply Chain Management
Cook County Health and Hospitals System

Re: Correction Memo: University of Chicago Northshore University Health System
CCHHS Board of Directors Approval on 10/27/2011

The Board Approval Request for University of Chicago Northshore University Health System was submitted to the Board of Directors of Cook County Health and Hospitals System on October 27, 2011. The transmittal contained an error; it had incorrect CEMA number
The correct CEMA number is below:

Request #2: Correct CEMA number should be 07-41-409 not 06-41-195 as stated on the transmittal.

If you have any questions, please feel free to contact Susan Walsh at swalsh@cookcountyhhs.org or at 312-864-2093. Thank you in advance.

Sincerely,

Nita Stith
Interim System Director of Supply Chain Management
Cook County Health and Hospitals System

NS/sw

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

| | | |
|--|---|------------------------------------|
| SPONSOR: John O'Brien, M.D., Chairman of Planning, Education and Research, CCHHS | | <i>John O'Brien 10/7/11</i> |
| DATE: 09/09/2011 | PRODUCT / SERVICE: Service – Cooperative Educational Master Agreement | |
| TYPE OF REQUEST: Renewal of Cooperative Educational Master Agreement | VENDOR / SUPPLIER: West Suburban Medical Center, Oak Park, Illinois | |
| FISCAL IMPACT / ACCOUNT: 897-272 Stroger Hospital | None | GRANT FUNDED AMOUNT: N/A |
| CONTRACT PERIOD: 11/01/2011 thru 06/30/2016 | | CONTRACT #: 06-41-564 |
| COMPETITIVE SELECTION METHODOLOGY: [BID / RFP / GPO / OMP] N/A | | |
| NON-COMPETITIVE SELECTION METHODOLOGY: [SOLE SOURCE] N/A | | |

PRIOR CONTRACT HISTORY:

This is a renewal of a Cooperative Educational Master Agreement (CEMA) between the Cook County Health and Hospitals System and West Suburban Medical Center. This original CEMA was under a 10 year agreement, new regulations by the Accreditation Council for Graduate Medical Education now requires CEMA renewals every five years, necessitating renewal of this active agreement.

NEW PROPOSAL JUSTIFICATION:

This CEMA renewal allows agreements for Stroger Hospital residents to rotate to West Suburban Medical Center and for West Suburban Medical Center residents to rotate at CCHHS locations for a clinical training experience. This agreement was reviewed by Director Lyne on April 29, 2011 and by the Quality and Patient Safety Committee on May 17, 2011.

FINANCIAL BENEFIT: [Prior Cost versus New Cost]

Savings calculation: N/A

Percent: N/A

TERMS OF REQUEST:

This is a request to renew contract 06-41-564 for a period of 57 months from 11/01/2011 thru 06/30/2016

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE

ATTACHMENTS

BID TABULATIONS: N/A

CONTRACT COMPLIANCE MEMO: N/A

CCHHS COO:

Carol Schneider, Interim Chief Operating Officer

CCHHS CFO:

John Cookinham, Interim Chief Financial Officer

APPROVED

OCT 27 2011

BY BOARD OF
DIRECTORS OF THE COOK COUNTY
HEALTH AND HOSPITALS SYSTEM

Request #

3

- Ambulatory & Community Health Network • Cermak Health Services • Department of Public Health •
- John H. Stroger, Jr. Hospital of Cook County • Oak Forest Hospital • Provident Hospital • Ruth M. Rothstein CORE Center •

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

| | | |
|---|---|---------------------|
| SPONSOR: John O'Brien, M.D., Chairman of Planning, Education and Research, CCHHS | | <i>JPB 10/14/11</i> |
| DATE: 09/07/2011 | PRODUCT / SERVICE: Service – Emergency Medicine Resident Program Addendum | |
| TYPE OF REQUEST: Execute Program Addendum | VENDOR / SUPPLIER: Rush Medical Center, Chicago, Illinois | |
| FISCAL IMPACT / ACCOUNT: 897-272 (\$822,632.00) Revenue Generating | GRANT FUNDED AMOUNT: N/A | |
| CONTRACT PERIOD: 10/28/2011 thru 07/30/2014 | CONTRACT #: 04-41-730-2011A | |
| COMPETITIVE SELECTION METHODOLOGY: [BID / RFP / GPO / OMP] N/A | | |
| <input checked="" type="checkbox"/> NON-COMPETITIVE SELECTION METHODOLOGY: [SOLE SOURCE] Single Feasible Provider | | |

PRIOR CONTRACT HISTORY:

The Department of Planning, Education and Research is requesting approval to execute a Program Addendum to the Cooperative Educational Master Agreement (04-41-730) between John H. Stroger, Jr. Hospital and Rush Medical Center.

NEW PROPOSAL JUSTIFICATION:

Rush Medical Center does not have an Emergency Medicine Residency. John H. Stroger, Jr. Hospital's Emergency Medicine Residency primarily cares for the medically indigent. This agreement will provide post graduate educational experience in a private setting and quality improvement/research support for the Emergency Medicine residency. This program addendum allows for the reimbursement for JSH residency services (up to 8 FTE annually) in the Emergency Room at Rush Medical Center. This agreement was reviewed by Director Lyne on April 29, 2011 and by the Quality and Patient Safety Committee on May 17, 2011.

FINANCIAL BENEFIT: [Prior Cost versus New Cost]

Savings calculation: N/A

Percent: N/A

TERMS OF REQUEST:

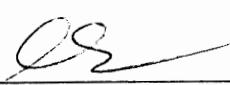
This is a request to execute contract 04-41-730-2011A for a period of 33 months from 10/28/2011 thru 07/30/2014. Year 1: 2 PGY2's, Year 2: 2 PGY2's, and 2 PGY3's, Year 3: 2 PGY2's, 2 PGY3's and 2 PGY4's. The maximum amount to be billed to Rush during this period is \$822,632.00 (Revenue Generating).

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE? N/A

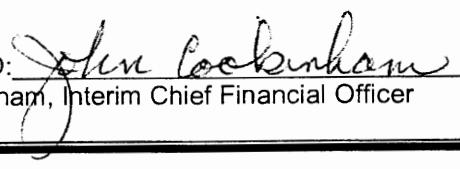
ATTACHMENTS

BID TABULATIONS: N/A

CONTRACT COMPLIANCE MEMO: N/A

CCHHS COO: 

Carol Schneider, Interim Chief Operating Officer

CCHHS CFO: 

John Cookinham, Interim Chief Financial Officer

APPROVED

OCT 27 2011

BY BOARD OF
DIRECTORS OF THE COOK COUNTY
HEALTH AND HOSPITALS SYSTEM

Request #

4

- Ambulatory & Community Health Network • Cermak Health Services • Department of Public Health •
- John H. Stroger, Jr. Hospital of Cook County • Oak Forest Hospital • Provident Hospital • Ruth M. Rothstein CORE Center •

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

| | | |
|---|---|------------------------------|
| SPONSOR: John O'Brien, M.D., Chairman of Planning, Education and Research, CCHHS | | <i>John O'Brien 10/14/11</i> |
| DATE: 10/14/2011 | PRODUCT / SERVICE: Service – Palliative Care Fellowship Affiliation Agreement | |
| TYPE OF REQUEST: Execute Affiliation Agreement | VENDOR / SUPPLIER: Midwest Palliative and Hospice CareCenter, Chicago, Illinois | |
| FISCAL IMPACT / ACCOUNT: 897-272 (\$146,953.00) Revenue Generating | GRANT FUNDED AMOUNT: N/A | |
| CONTRACT PERIOD: 10/01/2011 thru 06/30/2013 | CONTRACT #: H11-25-118 | |
| COMPETITIVE SELECTION METHODOLOGY: [BID / RFP / GPO / OMP] N/A | | |
| <input checked="" type="checkbox"/> NON-COMPETITIVE SELECTION METHODOLOGY: [SOLE SOURCE] Single Feasible Provider | | |

PRIOR CONTRACT HISTORY:

N/A

NEW PROPOSAL JUSTIFICATION:

This is an Affiliation Agreement between John H. Stroger, Jr. Hospital and Midwest Palliative and Hospice CareCenter. This agreement will provide post graduate educational experience in a hospice setting for the Palliative Care Fellowship. This Affiliation Agreement allows for the reimbursement for JSH fellowship services (up to 1.0 FTE annually) at Midwest Palliative and Hospice CareCenter. This agreement was reviewed by Director Lyne on April 29, 2011 and by the Quality and Patient Safety Committee on May 17, 2011.

FINANCIAL BENEFIT: [Prior Cost versus New Cost]

Savings calculation: N/A

Percent: N/A

TERMS OF REQUEST:

This is a request to execute H11-25-118 for a period of 21 months from 10/01/2011 thru 06/30/2013.

The maximum amount to be billed to Midwest Palliative and Hospice CareCenter during this period is \$146,953.00.

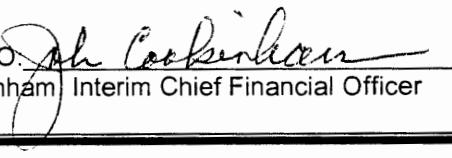
CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE? N/A

ATTACHMENTS

BID TABULATIONS: N/A

CONTRACT COMPLIANCE MEMO: N/A

CCHHS COO: 
Carol Schneider, Interim Chief Operating Officer

CCHHS CFO: 
John Cookinham, Interim Chief Financial Officer

APPROVED

OCT 27 2011

BY BOARD OF
DIRECTORS OF THE COOK COUNTY
HEALTH AND HOSPITALS SYSTEM

Request #
5

- Ambulatory & Community Health Network • Cermak Health Services • Department of Public Health •
- John H. Stroger, Jr. Hospital of Cook County • Oak Forest Hospital • Provident Hospital • Ruth M. Rothstein CORE Center •

Cook County Health and Hospitals System
Minutes of the Board of Directors Meeting
October 27, 2011

ATTACHMENT #5

COOK COUNTY HEALTH AND HOSPITALS SYSTEM
SUPPLY CHAIN MANAGEMENT
PROCUREMENT POLICY

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PREAMBLE

WHEREAS, the Cook County Health and Hospitals System (“System”) makes health care services available to persons who reside in Cook County; and,

WHEREAS, one goal of the System is to obtain quality goods and services for its patients at the lowest reasonable cost while operating at the highest standards of ethical conduct; and,

WHEREAS, the System seeks to make Purchases in such a manner as to ensure the timely and appropriate procurement of supplies, materials, equipment and services; and,

WHEREAS, the System seeks to employ a transparent procurement process to ensure that authority, responsibility and accountability are clearly delineated to maximize the efficiency of operations; and,

WHEREAS, the System seeks to employ a procurement process that is consistent with the Cook County Code of Ordinances on Procurement and Contracts and other applicable County Ordinances yet allows for maximum flexibility.

THEREFORE, the Procurement Policy of the System shall be as follows:

PART I. GENERAL PROVISIONS

Section 1.1. Definitions.

Affiliate. An “Affiliate” of, or a Person “Affiliated” with, a specified Person shall mean any Person that directly or indirectly through one or more intermediaries, Controls, is Controlled by, or is under common Control with, the Person specified.

Auditing Services means the formal examination of accounting records or financial statements for compliance with financial accounting standards applicable to governmental entities, which functions are generally exclusively performed or supervised by Persons licensed and authorized to do business as public accountants in the State. The term "Auditing Services" shall also include any independent reports and management recommendations derived or resulting from the performance of auditing services and which reports and recommendations are included within the scope of the Contract for Auditing Services.

Bid means a response to a Bid Notice containing all Bid Documents and any other documents or information the Bidder is required to provide.

Bid Documents means the documents, specifications, forms and other information issued in connection with a competitive Bid.

Bid Notice means the notice from the System SCM Director regarding a Procurement which shall include: a general description of the Procurement; information necessary to obtain the Bid Documents; and the date, time and place for both the submission of Bids and the opening of the Bids.

Bid Price means the dollar amount set forth in a Bid.

Bidder means any Person who submits a Bid.

Chief Executive Officer or CEO. The term “Chief Executive Officer” or “CEO” means the Chief Executive Officer of the Cook County Health and Hospitals System.

Chief Financial Officer or CFO. The term “Chief Financial Officer” or “CFO” means the Chief Financial Officer of the Cook County Health and Hospitals System.

Contract. The term “Contract” shall include agreements, addenda, memoranda of understanding, and any other written document used to make purchases for the Cook County Health and Hospitals System.

Consulting Services means the rendering of analysis and advice requiring specialized expertise in a particular subject area or field. Such expertise may have been gained by education or experience in the area or field. The term "Consulting Services" expressly excludes auditing services.

Contract Compliance Director or CCD means the County Contract Compliance Director.

Contractor means the Person that enters into a Contract with the County.

Control. The term “Control”, “is Controlled by”, or is “under common Control with” shall mean a Person that has the power to directly or indirectly affect the management or the policies of the other through ownership of voting securities or voting rights, by contract or otherwise

Cook County Procurement Code shall refer to Chapter 34, Article IV of the Cook County Code of Ordinances, as amended from time to time.

County Board. The term “County Board” shall mean the Cook County Board of Commissioners.

Covered Services means janitorial cleaning services, window cleaning services, elevator operator and starter services, and security services.

Execution means to sign a Contract, after it has been approved by the System SCM Director or the System Board, as required by this Procurement Policy.

Joint Venture means an association of two or more Persons proposing to perform a for profit business enterprise. Joint Ventures must have an agreement in writing specifying the terms and

conditions of the relationship between the partners and their relationship and respective responsibility for the Contract.

Lease means an agreement for the lease by the System of personal property to be utilized by the System for a period of time.

Local business means a Person, including a foreign corporation authorized to transact business in Illinois, having a bona fide establishment located within the County at which it is transacting business on the date when a Bid is submitted to the County, and which employs the majority of its regular, full-time work force within the County. A Joint Venture shall constitute a Local Business if one or more Persons that qualify as a "Local Business" hold interests totaling over 50% in the Joint Venture, even if the Joint Venture does not, at the time of the Bid submittal, have such a bona fide establishment within the County.

Not-for-Profit Organization means an entity having tax exempt status under the United States Internal Revenue Code.

Person. Unless the context indicates otherwise, the term "Person" means any individual, corporation, partnership, joint venture, trust, association, limited liability company, unincorporated business, individually owned business, sole proprietorship or similar type of organization or association.

Procurement. The term "Procurement", "Procurements" or "Procuring" means obtaining supplies, equipment, goods, or services of any kind.

Procurement Code means Chapter 34, Article IV of the Cook County Code of Ordinances.

Proposal means a response to a Request for Proposals.

Proposer means a Person submitting a Proposal .

Public Works means all fixed works constructed or demolished by the County, or paid for wholly or in part out of public funds administered by the County. "Public Works" as defined herein includes all projects financed in whole or in part with bonds, grants, loans, or other funds made available by or through federal or State government, or the County. "Public Works" does not include projects undertaken by the owner at an owner-occupied single-family residence or at an owner-occupied unit of a multi-family residence. "Public Works" includes any maintenance, repair, assembly, or disassembly work performed on equipment whether owned, leased, or rented.

Professional and Managerial Services. The term "Professional and Managerial Services" means a contract that falls under one of the following Cook County object/account codes, as set forth in the Cook County Annual Appropriation Bill: 260 - Professional and Managerial Services, 261 - Legal Fees Regarding Labor Matters, 262 - Legal Fees in Connection with Issuance of Tax Notes, 263 - Legal Fees, or 272 - Medical Consultation Services.

Purchase or Purchases. The term "Purchase" or "Purchases" means the expenditure of County funds to obtain supplies, materials, equipment or services.

Respondent. The term “Respondent” means a Person responding to an Request for Qualifications.

Response means response to an Request for Qualifications.

Responsible means a Person that has the capability in all respects to perform fully a Contract or to provide the required supplies, equipment, goods or services to the County, and the integrity and reliability that will assure good faith performance. Factors taken into consideration in determining whether a Person is Responsible may include quality, financial capacity, past performance, experience, adequacy of staff, equipment, and the ability to perform within the time frame required for the Procurement.

Responsive means a Bid, a Response or a Proposal is in compliance in all material respects with all the terms, conditions and requirements set forth in the Bid Documents, Request for Proposals, Request for Qualifications, request for quotations or other terms required for a Procurement, including but not limited to completion and timely submittal of all required affidavits, statements, certifications, Bid deposits, insurance, performance and payment bonds and other County requirements.

RFP means a Request for Proposals issued pursuant to this Procurement Code.

RFQ means a Request for Qualifications issued to obtain the qualifications of parties interested in providing specialized services.

System. The term “System” means the Cook County Health and Hospitals System.

System Affiliate. The term “System Affiliate” or “Affiliate” means the Ambulatory and Community Health Network of Cook County, Cermak Health Services of Cook County, Cook County Department of Public Health, Oak Forest Health Center, Provident Hospital of Cook County, Ruth M. Rothstein CORE Center, and John H. Stroger, Jr. Hospital of Cook County.

System Board. The term “System Board” means the Board of Directors of the Cook County Health and Hospitals System.

System Director of Supply Chain Management or System SCM Director shall refer to the individual designated by the CEO to perform the role of chief procurement officer for the Cook County Health and Hospitals System and shall include such persons as the System SCM Director may, with the approval of the CEO or his or her designee, identify in writing to perform specific responsibilities on his or her behalf.

Using Department means the System Affiliates and the System Administration.

Wage. The term “Wage” means compensation due to an Employee by reason of employment, including allowances for gratuities and for meals and lodging that are furnished by the Employer and actually used by the Employee.

Section 1.2. Purchases; Power to Act.

All Procurements and Purchases for the System, regardless of the source of funds used to pay for such Procurement, shall be made as provided in this Policy and the procedures promulgated pursuant to this Policy. All Contracts shall be in a form determined by the System SCM Director and shall be approved and executed as set forth in the procedures promulgated pursuant to and in this Policy. All Contracts for Purchases of \$150,000.00 or more shall be approved by the System Board and executed by the System’s Chief Executive Officer and Chief Financial Officer. All other Purchases shall be approved by the Chief Executive Officer or his or her designee and executed by the System SCM Director or as otherwise directed by the Chief Executive Officer; provided, however, all such Purchases shall require System Board approval in circumstances where the aggregate of Purchases by a Using Department to the same vendor for the same, or substantially the same, supplies, materials, equipment or services within the same fiscal year equal a sum of \$150,000.00 or more. The “amount” of a Purchase shall mean the maximum amount payable for such Purchase.

No Person has the power or authority to approve, authorize or execute a Procurement, a Contract, or the expenditure of public money in the amount of \$150,000.00 or more without approval of the System Board, except in the following instances: the payment of public utility bills, the payment of rent pursuant to the provisions of a lease previously approved by the System Board, payment of insurance premiums, or other System Board-authorized transactions. Any action in violation of this section shall be null and void.

Section 1.3. System SCM Director.

There shall be a System SCM Director for the System appointed by the Chief Executive Officer who shall report to the Chief Executive Officer or designee and shall be responsible for overseeing the System’s procurement process. The System SCM Director shall perform for the System the functions that the County’s Chief Procurement Officer performs for the County.

Section 1.4. Powers and Duties of the System SCM Director.

The System SCM Director shall:

- (a) Ensure that Purchases required by the System shall be made pursuant to this Policy and any procedures promulgated pursuant hereto.
- (b) Establish and maintain procurement procedures and forms to implement this Policy and to ensure integration of the System’s procurement process with the County’s payment process.
- (c) Promulgate general and special conditions appropriate for the various purchase methods and types of Purchases.

- (d) Establish and enforce standard and nonstandard specifications which shall apply to all System Purchases.
- (e) Have authority to implement innovative procurement methods and processes pursuant to this Procurement Code.
- (f) Develop a procedure enabling vendors to receive notice of procurement opportunities by nature or type of goods or services.
- (g) Have authority to approve an assignment of or amendment to a Contract or Lease; provided, however, that the total of such amendment(s) does not extend the Contract or Lease by more than one (1) year and further provided that the total cost of all such amendments does not increase the amount of the Contract or Lease beyond \$149,999 or, in the case of Contracts or Leases approved by the System Board, provided that the total cost of all such amendments does not increase the Contract or Lease by more than 10%.
- (h) Ensure that all certifications, statements and affidavits required by this Procurement Policy are submitted;
- (i) Determine when supplies, materials and equipment are obsolete or unusable and transfer, trade in, sell or dispose of such property.
- (j) Compile and maintain information for all Purchases, including those Purchases which do not require System Board approval. The System SCM Director shall submit a report to the System Board on a quarterly basis of the individual and total aggregate amount of all Purchases which do not require System Board approval, including a list of each vendor from whom the System makes such Purchases, the method of procurement applied and identifying contracts providing for advance payment for services.
- (k) Establish the commencement and expiration dates of any Contract unless another commencement date is specified in the Contract.
- (l) To the greatest extent practicable, make available on the System's website information related to all Purchases, including, but not limited to, a list of System contracts and a list of contractors and subcontractors.
- (m) Keep a record of any Person who has been disqualified under Part VI, Disqualification, Penalties, of this Policy, and provide a copy of such record to the Chief Procurement Officer for Cook County and other officials who may request it.
- (n) Have authority to terminate a Contract in accordance with its terms.
- (o) Issue notices of violation to enforce the provisions of this Code, as applicable, and institute enforcement proceedings under Chapter 2, Article 10 of the Cook County Code of Ordinances, as appropriate.

(p) Inform the Comptroller regarding all instances in which advance payments have been provided for in a Contract.

(q) Have charge of such other procurement activities as may be assigned from time to time by the Chief Executive Officer.

Section 1.5. Purchases for a Period Exceeding One Year.

(a) System Purchases may be made for a period exceeding one year. Any such Purchase shall be a valid and binding obligation of the County.

(b) Any Contract for a System Purchase for a period to exceed one year must contain the following provisions:

(i) A statement that the Contract is subject to County Board approval of appropriations for the purpose of the subject Contract;

(ii) A statement that in the event funds are not appropriated by the County Board, the Contract shall be cancelled without penalty to, or further payment being required by, the System Board or the County;

(iii) A statement that the System Board's or County's obligation to perform shall cease immediately upon receipt of notice to the vendor of lack of appropriated funds; and

(iv) A statement that the System Board's or County's obligation under the Contract shall also be subject to immediate termination or cancellation at any time when there are not sufficient authorized funds available to meet such obligation.

(c) In the event the System Board determines that there is a lack of appropriated funds sufficient to fund a contract, the System Board shall have the discretion to reduce or terminate the contract.

(d) The System SCM Director shall give the vendor notice of a lack of appropriated funds sufficient to fund the contract as soon as practicable after the System Board becomes aware of the failure of funding.

PART II. PROCUREMENT PROCEDURES

Section 2.1. Procurement Procedures.

System Purchases may be made pursuant to the appropriate procurement methods set forth below where such Purchases meet the criteria set forth in the applicable Section:

| | |
|-------------|---|
| Section 2.2 | Competitive Bids |
| Section 2.3 | Small Procurements |
| Section 2.4 | Requests for Qualifications or Requests for Proposals |
| Section 2.5 | Requests for Information |
| Section 2.6 | Purchasing Consortia |

- Section 2.7 Sole Source Purchases
- Section 2.8 Comparable Government Bid
- Section 2.9 Joint Procurement
- Section 2.10 Emergency Purchases
- Section 2.11 Innovative Procurements

Section 2.2. Bid Purchases.

Procurements of supplies, materials, equipment and services shall be made by the competitive Bidding process set forth in this Section unless such Procurements meet the criteria for another procurement method set forth in this Part II. If a Purchase is estimated to result in a Bid Price of \$150,000 or more and is to be procured by means of a Bid, the System SCM Director shall follow the procedures set forth in (a) through (l) below. The System SCM Director may develop additional procedures consistent with this Policy.

(a) Bid Notice. The System SCM Director shall publish a Bid Notice on the System website at least five (5) days before the date for the submission of Bids.

(b) Development and approval of Bid documents. The System SCM Director shall prepare the Bid documents which shall include, but not be limited to, a description of the Purchase, any minimum Bidder qualifications, whether a pre-Bid conference or site inspection is required, any conditions with which the successful Bidder shall be required to comply, cost Proposal information and any other information determined necessary by the System SCM Director to prepare and finalize the Bid documents. The Using Department shall furnish the System SCM Director with information necessary to assist in preparation of the Bid documents.

(c) Pre-Bid conference or site inspection. The System SCM Director shall include details of any pre-Bid conference or site inspection in the Bid documents. Any changes to the date, time or place of such conference or inspection will be communicated in writing or electronically, where appropriate, by means of an Addendum to all Persons recorded as having requested Bid documents. Such notification shall be provided at least twenty-four (24) hours prior to the original scheduled conference or inspection date and at least two business days prior to any newly scheduled conference or inspection date.

(d) Communications with the System regarding Bids. From the time the Bid Notice is issued until the Person from whom a Purchase will be made has been determined, all communications to the County or System related to the Bid must be directed in writing (including electronically) only to the System SCM Director. Upon receipt of such a request, the System SCM Director will determine if a response will be provided; and any such response shall be provided in an addendum to all Persons who requested a set of Bid documents. The System SCM Director will not consider inquiries made in any other manner or to anyone else. However, the above notwithstanding, communications may be made with the Office of Contract Compliance in writing for the purpose of securing information necessary to respond to the provisions regarding minority and women owned business participation.

(e) Communication between Bidders. Until the Person from whom the Purchase will be made has been determined, no prospective Bidder, Person who requested the Bid documents or

Bidders shall communicate with any other such Person regarding the Bid, with the sole exception of communications with a minority or women owned business enterprise to meet minority or women owned business enterprise goals as set forth in Part IV, Minority-And Women-Owned Business Enterprises, Section 4.1, of this Policy. Such communications shall not include the amount of the Bid.

(f) No changes to Bids. No Bid may be changed, amended or supplemented in any way after the date and time for submission of Bids, except as required by the System SCM Director to correct a technical error such as an omission of Bid Documents issued by the County or the removal superfluous material submitted with the Bid that is not part of the required Bid submission.

(g) Bid opening. All Bids shall be opened and recorded at the date, time and location as stated in the Bid Notice or as prescribed in an addendum issued by the System SCM Director. All Bids shall be opened at the direction of the System SCM Director and the name of the Bidder and the total Bid Price shall be read publicly. If the Bid was submitted electronically, no public reading is required so long as a record of the Bids is publicly available within a reasonable time after the conclusion of the electronic Bidding period.

If only one Bid has been submitted, the System SCM Director will determine whether to open the Bid or return the Bid to the Bidder via certified mail. The System SCM Director will thereafter determine whether to re-issue the Bid or use a different method to make the Purchase.

If it is determined that an error was made in announcing the Bid or there was a failure to read all Bids into the record, the System SCM Director shall notify all Bidders and reconvene the Bid opening to correct the record as soon as reasonably possible.

(h) Evaluation of Bids. The System SCM Director shall review, evaluate and tabulate Bids. In determining the apparent low Responsible and Responsive Bid, the System SCM Director shall consider the Bidder's Responsiveness in complying with the requirements set forth in the Bid Documents, the Responsibility of the Bidder and all applicable preferences and incentives provided in the Cook County Procurement Code. Once a recommendation has been determined, the System SCM Director shall post a notice of such recommendation on the System's website.

(i) Bid protest procedure. Any Bidder who believes that the recommended Bidder is not the lowest Responsive and Responsible Bidder, or who has a complaint about the Bid process, may submit a Bid protest, in writing, directed to the System SCM Director. Any Bid protest must be submitted no later than three business days after the date upon which the notice of the System SCM Director's intended award or recommendation is posted. The Bid protest must specify the basis upon which the recommendation is erroneous, or the basis upon which the Bid procedure was unfair, including a statement of how the alleged error or unfairness prejudiced the protesting Bidder and the action requested of the System SCM Director. A Bid protest based upon an issue which could have been clarified through a request for clarification or information pursuant to Part II, Procurement Procedures, Section 2.2, Bid Purchases, (d), Communications regarding Bids, will not be considered if the protesting Bidder failed to make such a request.

(j) Bid protest decision. When a Bid protest has been submitted, no further action shall be taken on the Bid until the System SCM Director makes a decision regarding the Bid protest. The System SCM Director shall issue a written decision on the Bid protest to the protesting Bidder and to any other Bidder affected by such decision as soon as reasonably practicable. If the protest is upheld based upon a lack of fairness in the Bid procedure, the System SCM Director shall re-Bid the procurement. If the System SCM Director determines that the recommended Bidder was not Responsive and Responsible, that Bidder shall be disqualified and the System SCM Director shall either re-Bid the Purchase or recommend the lowest Responsive and Responsible Bidder.

(k) Final action. After disposition of any Bid Protests, if the Purchase requires System Board approval, the System SCM Director's recommendation of the lowest Responsible and Responsive Bidder shall be forwarded to the System Board for approval of award and execution. If the Purchase does not require System Board approval, the System SCM Director shall award the Contract to the lowest Responsible and Responsive Bidder and shall thereafter arrange for execution of the Contract.

(l) Right to reject Bids reserved. The System Board shall have the right to reject any and all Bids. The System SCM Director is authorized to exercise this right on behalf of the System Board. The System SCM Director shall include a provision in the Bid documents reserving the right to reject any and all Bids.

(m) Bid Process for Procurements Valued under \$150,000. The competitive Bidding process for procurements with an estimated Bid Price of more than \$5,000 and less than \$150,000 may consist of a solicitation posted on the System website. The System SCM Director shall promulgate forms, policies and procedures to implement such Procurements. The System SCM Director need not read or announce these Bids publicly, but shall select the lowest Responsive and Responsible Bid and shall post the results of the solicitation on the System website.

Section 2.3. Small Procurements.

Procurements of the same or similar supplies, goods, equipment or services by a Using Department in an aggregate amount from the same vendor of less than \$5,000 in the same fiscal year does not require a competitive method. The System SCM Director shall develop forms and procedures to implement these Small Procurements which shall include, but not be limited to, provisions regarding the criteria for such Purchases.

Section 2.4. Requests for Qualifications or Requests for Proposals.

(a) Criteria for use of Requests for Qualifications or Requests for Proposals. The System SCM Director may determine that it is in the best interest of the System to make a Purchase by a Request for Qualifications ("RFQ") or Request for Proposals ("RFP") because such Purchase is not readily adaptable to Bid. Examples include, but are not limited to: Purchases involving services requiring a high degree of professional skill where the ability or fitness of the Person plays an important part; Purchases where the requirements are not clearly known; Purchases where quality rather than quantity is a primary factor; and Purchases where it is not in the best interest of the System to make price a primary determinative factor.

(b) Content of RFPs and RFQs. The System SCM Director shall consult with the Using Department in determining the form and content of an RFP or RFQ. RFPs and RFQs shall include a provision stating that they may result in the negotiation of a Purchase with one or more Respondents or Proposers.

(c) Issuance. The System SCM Director shall issue the RFP or RFQ and shall post a notice of all RFPs and RFQs on the System's website. The System SCM Director may also request that the County's Chief Procurement Officer post the RFP or RFQ on the County's website.

(d) Opening of Proposals. Unless the Responses or Proposals are required to be submitted electronically, the Responses or Proposals shall be opened in the presence of one or more witnesses after the designated date and time for submission. The names of the Proposers shall be open for public inspection after the Purchase has been completed.

(e) Evaluation and Selection for Contract Negotiation. The RFP or RFQ shall include the factors to be used in evaluating Proposals and Responses. These factors may include, but are not limited to, price, experience and qualifications of the Proposer, the quality and cost effectiveness of the Proposal, and the demonstrated willingness and ability of the Proposer to satisfy the requirements of the System as described in the RFP. The evaluation shall be performed by a committee chaired by the System SCM Director or designee with representatives from the appropriate System Affiliate(s) and other persons designated by the System SCM Director. Any or all Respondents or Proposers may be requested to make presentations and/or submit clarifications or revisions to their Responses or Proposals for the purpose of obtaining best and final Responses or Proposals. The evaluation committee shall document the results of the evaluation and its recommendation. The contents of the Responses or Proposals shall not be disclosed to competing Proposers during the evaluation process.

(f) Contract Negotiation and Approval/Execution. The System SCM Director shall oversee the negotiation of a Contract(s) with the Proposer(s) identified following the evaluation. Upon completion of the negotiation of the Contract(s), the Contract(s) shall be submitted for approval and execution as provided in Section 1.2, Purchases; Power to Act, of this Policy.

Section 2.5. Requests for Information; Value Analysis.

The System SCM Director may adopt forms and procedures for the use of Requests for Information which may be used to ascertain available options for consideration in determining an appropriate method of procurement. In addition, the System SCM Director may establish a Value Analysis process to identify cost effective options in advance of a Purchase or Procurement.

Section 2.6. Consortium and Group Procurements.

Purchases may be made pursuant to the System's membership in a purchasing consortium, provided that the System Board has approved the System's membership in such purchasing consortium for, at least in part, the purpose of obtaining advantageous pricing and other efficiencies for the System. If the consortium is a group purchasing organization ("GPO"), selection of the GPO shall be pursuant to the issuance of a Request for Proposals which shall detail the types of goods to be purchased through the GPO. Purchases made through a

purchasing consortium shall be approved and executed as set forth in Section 1.2, Purchases; Power to Act, of this Policy.

Section 2.7. Sole Source Purchases.

Purchases of supplies, equipment, goods or services may be made without use of one of the competitive selection methods set forth in this Policy if there is a need for the unique or specialized skill, experience or ability possessed by a particular source or there is only one feasible source for the item or service. The Using Department shall submit a letter to the System SCM Director justifying the Sole Source Purchase and provide any other documents or information required by the System SCM Director. Sole Source Purchases shall be approved and executed as set forth in Section 1.2, Purchases; Power to Act, of this Policy

Section 2.8. Comparable Government Procurement.

If another governmental agency has awarded a contract through a competitive method for the purchase of the same or similar supplies, materials, equipment or services as those sought by the System, the System SCM Director, in his or her discretion, is authorized to Purchase such supplies, materials, equipment or services from that vendor at a price or rate at least as favorable as that obtained by the other government agency without engaging in a competitive procurement method.. The System SCM Director's recommendation for a Purchase based upon a comparable government procurement shall be approved and executed as set forth in Section 1.2, Purchases; Power to Act, of this Policy.

Section 2.9. Joint procurements.

Procurements may be made pursuant to the Governmental Joint Purchasing Act, 30 ILCS 525/0.01 et seq. In addition, the System may elect to utilize a Contract procured by the Cook County Chief Procurement Officer provided that the System SCM Director has approved those contract terms that pertain to System participation and issues a separate purchase order for any funds payable by the System. Such participation shall be subject to System Board approval if the amount applicable to the System is \$150,000 or greater.

Section 2.10. Emergency Purchases.

With the approval of the Chief Executive Officer or his or her designee, the System SCM Director may make Emergency Purchases without use of one of the competitive processes set forth in this Policy and without prior approval of the System Board when there exists a threat to public health or public safety, or when an immediate Purchase is necessary for repairs to System property in order to protect against further loss or damage, to prevent or minimize serious disruption in System services, or to ensure the integrity of System records. If practicable under the circumstances, the System SCM Director shall secure quotations from multiple vendors for an Emergency Purchase. The System SCM Director shall report the basis for the emergency and reasons for the selection of the particular vendor to the System Board Finance Committee within five (5) business days of making an emergency Purchase.

2.11. Innovative Procurements.

As an alternative to other methods of Procurement, the System SCM Director may adopt innovative methods of Procurement and adopt rules following a determination that such process is cost effective and in the best interests of the System.

(a) Direct Procurements. The System SCM Director may make a Procurement using innovative methods of procurement, including, but not limited to, electronic procurement, reverse auctions, electronic Bidding, electronic auctions, and pilot procurement programs that have no cost to the System.

(b) Procurements Services Contract. As an alternative or in addition to directly conducting procurement using innovative methods, the System SCM Director may make a Procurement of electronic procurement services for conducting reverse auctions, electronic auctions, or provide an on-line or electronic forum for competitive Bids, Requests for Qualifications and Requests for Proposals and other types of innovative methods of procurement on the System's behalf. The Contract for such Procurement may contain such terms as the System SCM Director deems necessary, including, but not limited to, terms that specify the source and amount of the compensation. With respect to Procurements made pursuant to this section, the System SCM Director is authorized to charge a reasonable service fee to the Contractors from which Procurements are made in order to cover part or all of the System's costs associated with such electronic procurement, including the costs of engaging a service provider. Such service fee shall be paid as directed by the System SCM Director.

(c) Rules and Regulations. The System SCM Director shall have authority to adopt rules and regulations for the proper administration and enforcement of the provisions of this section, including the authority to modify the requirements of this Procurement Policy as necessary to implement such innovative or electronic procurement method.

(d) Electronic Submissions. Any document, affidavit, certification or form required by the Procurement Policy or submitted in connection with any Procurement may be accepted by the System SCM Director in electronic format subject to compliance with accepted means and methods of verification and authentication of electronic signatures.

Section 2.12. Purchase of Government Property.

The System SCM Director is expressly authorized to procure from any Federal, State or local government unit or agency thereof such surplus materials, supplies, commodities, or equipment as may be made available through the operation of any legislation heretofore or hereinafter enacted. Purchases of surplus government property shall be approved and executed as set forth in Part II, Purchases, of this Policy.

Section 2.13. Procurement of Public Works Contracts.

The System SCM Director may request that the County continue to procure Public Works contracts entered into in connection with System facilities. The incentives set forth in the Cook County Procurement Code Sections 34-231 through 34-237 shall be included in such contracts as appropriate. Such Procurements shall comply with Section 34-190 (Percentage of work of Public Works projects to be performed by County residents) and Section 34-191(Green Construction) as applicable.

Section 2.14. Procurement of Equipment to be Leased.

The System SCM Director shall establish written procedures and forms for the selection of equipment that will be leased for use by the System.

PART III. COUNTY ORDINANCE REQUIREMENTS

The System SCM Director shall ensure that all Purchases are subject to the following requirements as set forth in the Cook County Code of Ordinances.

Section 3.1. Living Wage.

All System Purchases shall comply with the requirements set forth in Section 34-160 (Living Wage) of the Cook County Code of Ordinances. The System SCM Director shall comply with any requirements therein imposed upon the County's Purchasing Agent. The System SCM Director shall also coordinate with the Cook County Chief Financial Officer and Cook County Purchasing Agent to enable them to carry out the provisions of Section 34-160 with regard to System Purchases.

Section 3.2. Prevailing Wage.

All System Purchases shall comply with Sec. 34-161 (Prevailing Wage) of the Cook County Code of Ordinances. The System SCM Director shall comply with any requirements therein imposed upon the County's Purchasing Agent.

Section 3.3. Federal Prevailing Wage.

As provided in Section 34-162 (Federal Prevailing Wage) of the Cook County Code of Ordinances, if a Procurement will be paid for using federal funds, and if such federal funding requires compliance with the Davis-Bacon Act (40 U.S.C. 276a-276a-7), then the Contract shall contain provisions requiring that the Contractor and any subcontractors shall pay the Federal Prevailing Wage.

Section 3.4. Prevailing Wages for Covered Services.

Procurements of janitorial cleaning services, window cleaning services, elevator operator and starter services, and security services shall comply with the following:

- (a) Not less than the prevailing rate of Wages shall be paid and prevailing working conditions shall be provided to any laborer, worker and mechanic providing Covered Services under a Contract.
- (b) In order to be considered a Responsive Bidder for any Contract for Covered Services, the Bidder shall certify that Wages paid to its employees will be no less, and fringe benefits and working conditions of such employees shall be no less favorable, than those prevailing in the locality in which the Covered Services are to be performed, as determined by the Chief of the Cook County Bureau of Human Resources and posted on the website.
- (c) The System SCM Director shall include in the Bid Notice for any Contract for Covered Services, and shall include in the specifications for any such Contract a provision that (i) not less than the prevailing rate of Wages shall be paid, and prevailing working conditions shall be provided, to all laborers, workers and mechanics performing Covered Services and (ii) all bonds required under such Contract shall include such provisions as will guarantee the faithful performance of such provision in the Contract.

Section 3.5. Recycled Products.

All System Purchases shall comply with and Section 34-215 through Section 34-222(Recycled Products) of the Cook County Code of Ordinances. In applying such provisions, the term “County” shall mean “System” and the term “Purchasing Agent” shall mean “System SCM Director.”

Section 3.6. Predatory Lenders.

All System Purchases shall comply with the requirements set forth in Section 34-340 through Section 34-343 (Predatory Lenders) of the Cook County Code of Ordinances. The System SCM Director shall coordinate with the Cook County Chief Financial Officer to enable him or her to carry out the provisions of Section 34-340 through Section 34-343, with regard to System Purchases. With each Bid or Response submitted by a financial institution for any Contract, the following certification shall be signed by the chairman of the board, chief executive officer, or other officer of the financial institution acceptable to the Chief Financial Officer:

We pledge that we are not and will not become a predatory lender as defined in Cook County's Predatory Lending Ordinance. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in this Ordinance. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the County.

Section 3.7. Re-Entry Employment/Bid Incentive.

All System Purchases shall comply with Section 34-231 through Section 34-236 (Re-Entry Employment/Bid Incentive Ordinance), of the Cook County Code of Ordinances. The System SCM Director shall comply with any requirements therein imposed upon the County's Purchasing Agent or the Office of Purchasing Agent, other than those imposed in Section 34-352(c). The System SCM Director shall cooperate with the Director of the County's Office of Contract Compliance in carrying out the purposes of Sections 34-349 through 34-358 of the Cook County Code of Ordinances. For purposes of this Policy, the term “Contract” as used in Section 34-349 through 34-358 shall have the meaning ascribed as set forth in Part I, General Provisions, Section 1.1, Definitions, of this Policy.

Section 3.8. Child Support Payments.

All System Purchases shall comply with Section 34-366 through Section 34-370 (Child Support Payments) of the Cook County Code of Ordinances.

Section 3.9. Contracts for Consulting and Auditing Services.

The System shall not enter into any Contract for Consulting Services, nor shall it consent to a subcontract for such Consulting Services, with any Person, if such Person, or any Affiliate of such Person, has a Contract or subcontract to provide Auditing Services for the System. The System SCM Director shall require the Contractor in each Contract for Auditing or Consulting Services for the System to provide a certification acceptable to the System SCM Director that neither the Contractor nor any Affiliate of the Contractor has a Contract or a subcontract to provide Consulting or Auditing Services for the System which is prohibited under this section.

PART IV. MINORITY-AND WOMEN-OWNED BUSINESS ENTERPRISES

Section 4.1. Minority-And Women-Owned Business Enterprises.

The System Board is committed to the County's policy to promote equal opportunity in its procurement process, as well as to the goals aspired to by Cook County with respect to participation in County Contracts by Protected Class Enterprises. All System Purchases shall comply with Sec. 34-260 through Sec. 34-289 (Cook County Minority and Women Owned Business Enterprise) of the Cook County Code of Ordinances; provided, however, that the System SCM Director shall have the duties and responsibilities imposed therein upon the County's Chief Procurement Officer and the Contract Compliance Administrator or Office of Contract Compliance; and that the System Board shall have the powers and duties of the County Board, with the exception of the responsibilities of the County Board's Contract Compliance Committee as established in the Cook County Code of Ordinances.

PART V. BID INCENTIVES AND PREFERENCES

Section 5.1. Local Business Preference.

As provided in Section 34-230 of the Cook County Code of Ordinances, the System SCM Director shall recommend award of the Procurement to the lowest Responsible and Responsive Bidder which is a Local Business, so long as the Bid of such Bidder does not exceed the Bid of the lowest Responsible and Responsive Bidder by more than 2%.

Section 5.2. Qualified Veteran-Owned Business incentive. (Effective 4/7/2012)

As provided in Section 34-238 of the Cook County Code of Ordinances, and commencing with the effective date of that Section and the development of procedures to implement it, the System SCM Director shall give a preference of five percent of the amount of the Contract to a Responsible and Responsive Qualified Veteran-Owned Business.

Section 5.3. Qualified service-disabled veteran businesses incentive. (Effective 7/1/2013)

As provided in Section 34-239 of the Cook County Code of Ordinances and commencing with the effective date of that Section and the development of procedures to implement it, the System SCM Director shall make best efforts to recruit and solicit Bids and make procurements from qualified Service-Disabled Veteran-owned Businesses.

PART VI. DISQUALIFICATION; PENALTIES

Section 6.1. Disqualification Due to a Prior Default or Termination.

(a) No Person who has had an awarded Contract terminated for cause by the System Board or the County Board or who has failed to cure a default within any cure period provided by the Contract shall be awarded a Contract or subcontract by the System. The period of ineligibility shall continue for 24 months from the date the System Board or County Board terminates the Contract.

(b) When a Contract has been terminated for cause or when an uncured default exists under a Contract, the Person(s) may submit a written request to the System SCM Director for a reduction or waiver of the ineligibility period. The application shall be in writing and shall include

documentation that one or all of the following conditions have occurred: (i) There has been a bona fide change in ownership or control of the ineligible Person; (ii) Disciplinary action has been taken against the individual(s) responsible for the acts giving rise to the termination or default; or (iii) Remedial action has been taken to prevent a recurrence of the acts giving rise to the termination or default. The System SCM Director shall review the documentation, make any inquiries deemed necessary, and determine whether a reduction or waiver is appropriate.

(c) A Using Department may request an exception to such period of ineligibility, by submitting a written request to the System SCM Director, supported by facts sufficient to establish that it is in the best interests of the System that the Procurement be made from such ineligible Person. The System SCM Director shall review the documentation, make any inquiries deemed necessary, and determine whether a reduction or waiver should be approved. In the event an exception is granted, the exception shall apply to that Procurement only and the period of ineligibility shall continue for its full term as to any other Procurements.

(d) The System SCM Director's decision to reduce or waive the period of ineligibility, or to suspend ineligibility for a specific Contract, shall be reduced to writing and shall specify the reasons for the decision.

(e) In addition to the ineligibility provided in this Section, the System SCM Director may reject a specific Bid or Proposal, or a subcontractor proposed to be used in connection with that Bid or Proposal, submitted by any Person who or which is in arrears upon any debt to the System or the County or is in default of any Contract with the System or the County, or is a defaulter, as surety or otherwise, upon any obligation to the System or the County, or is otherwise prohibited by law or Ordinance from entering into the Contract. In addition, the System SCM Director may reject a Bid or Proposal, or a subcontractor proposed to be used in connection with that Bid or Proposal, submitted by any Person deemed unqualified due to insufficient or unsatisfactory history of creditworthiness or experience in performing other contracts, including those involving the types of responsibilities required under the Contract. The System SCM Director shall document the reasons for such rejection.

Section 6.2. Disqualification for Tax or Debt Delinquency or obligation default.

(a) As provided in Section 34-171 of the Cook County Code of Ordinances, a Person that is (i) delinquent in the payment of any tax (including real estate tax) or fees administered by the County, (ii) delinquent in the payment of any debt to the County, (iii); is in default of any obligation to the County; or (iv) is a "predatory lender," as determined pursuant to the Cook County Predatory Lending Ordinance, shall be ineligible to enter into a Contract with the County including the System. Notwithstanding the foregoing, a Person shall not be ineligible, nor shall there be any rights to set-off or other remedies set forth in Section 34-196 against a Person, if such Person is contesting liability for the delinquency in a pending administrative or judicial proceeding, or contesting the existence of a default, and shows proof of the contest; or if such Person has entered into an agreement for the payment of such delinquency and verifies compliance with the agreement.

(b) The System SCM Director shall obtain a written certification from every Person from whom the County seeks to make a Procurement that such Person meets the requirements of subsection (a).

(c) A Using Department may request an exception to such ineligibility by submitting a written request to the System SCM Director, supported by facts that establish that it is in the best interests of the System that the Procurement be made from such ineligible Person. The System SCM Director shall review the documentation, make any inquiries deemed necessary, and determine whether the request should be approved.

Section 6.3. Disqualification for Noncompliance with Child Support Orders.

(a) A Person shall be ineligible to enter into a Contract with the System if such Person or a Substantial Owner (as defined in Article V, Section 34-367 of the Cook County Code of Ordinances) is delinquent in the payment of a Court-Ordered Child Support Arrearage.

(b) If the System becomes aware that a Person or Substantial Owner becomes delinquent in payments under a Court-Ordered Child Support Arrearage after the System has entered into a Contract with such Person or Substantial Owner, then after notice from the System of such noncompliance and a thirty (30) day opportunity to pay such delinquency, such delinquency of such Person or Substantial Owner shall be an event of default under the Contract. Such Person or Substantial Owner shall provide sufficient evidence to the System SCM Director of payment of such delinquency.

Section 6.4. Disqualification for illegal activity.

(a) ***Disqualifying Acts.*** A Person who has been convicted of, entered a plea of *nolo contendere* as to, or made an admission of guilt, pursuant to the laws of any Federal, State or local jurisdiction, for any of the following, shall be ineligible to enter into a Contract for a period of five years from the date of conviction, entry of a plea or admission of guilt:

- (1) Bribing or attempting to bribe;
- (2) Bid-rigging, attempting to rig Bids;
- (3) Price fixing or attempting to fix prices; or
- (4) Defrauding or attempting to defraud.

(b) ***Disqualification due to acts of owner, partner or shareholder.*** A Person shall be ineligible to enter into a Contract if an individual who Controls such Person would be disqualified under any provision of this Sec. 34-173.

Section 6.5. Disqualification for willful violation of Cook County Independent Inspector General Ordinance.

As provided in Section 34-74 (Disqualification for willful violation of Cook County Independent Inspector General Ordinance) of the Cook County Code of Ordinances, a Person found to have willfully failed to cooperate in an investigation by the Cook County Independent Inspector General shall be subject to disqualification as provided in Article II, Section 2-291 of the Cook County Code of Ordinances.

Section 6.6. Notices to Cook County Chief Procurement Officer.

(a) When information comes to the attention of the System SCM Director that a Person has been convicted, made an admission of guilt or a plea of *nolo contendere* or otherwise falls within Sec.34-173 (Disqualification for Illegal Activity) of the Cook County Code of Ordinances; has violated Section 34-216 (Offering gift to induce others not to Bid; bribe offer to government employee; willful violation) of the County Inspector General Ordinance); or has been disqualified by the System, the System SCM Director shall provide notice to the County Purchasing Agent of such information for further proceedings by the County Purchasing Agent as set forth in Section 34-217 (Disqualification Procedures) of the Cook County Code of Ordinances.

(b) The System SCM Director shall regularly communicate with the Cook County Purchasing Agent to determine if any Person(s) is disqualified pursuant to the Cook County Code of Ordinances.

Section 6.7. Penalty for false statements.

Pursuant to Section 34-175 (Penalty for false statements) of the Cook County Code of Ordinances, any Person who knowingly makes a false statement of material fact to Cook County in writing in connection with a Procurement is liable to the County for a penalty of \$500.00, in addition to any other remedy provided for in the Procurement Code or at law or in equity, including termination of any Contract or disqualification. No fine will be imposed on any Person except after any applicable proceeding pursuant to Chapter 2, Article IX, Administrative Hearings, of the Cook County Code of Ordinances.

Section 6.8. Penalties for failure to pay Cook County taxes and fees.

As provided in Section 34-176 (Penalties for failure to pay Cook County taxes and fees) of the Cook County Code of Ordinances, the System SCM Director shall include in every Contract a provision that entitles the County to set off and subtract from the Contract price a sum equal to any fines and penalties, including interest, for each tax or fee delinquency and any debt or obligation owed by the Contractor to the County.

Section 6.9. Uniform penalties, interest and procedures.

The determination as to whether a Person is disqualified under any provision of this Division 4 or has made a false statement, shall be made pursuant to Chapter 2, Article IX, Administrative Hearings, of the Cook County Code of Ordinances.

PART VII. INTEGRITY IN THE PROCUREMENT PROCESS

Section 7.1. Reporting Potential Irregularities.

The System Board encourages any Person, including employees, to report any potential irregularities in the System's procurement process to the System's Chief Compliance Officer or the Office of the Cook County Independent Inspector General. In addition to any applicable laws protecting whistleblowers, the System shall ensure that a report made in good faith will not result in any adverse action taken by the System against the Person making such a report. The System SCM Director's procedures will include a mechanism to publish this provision to all appropriate employees and Persons.

Section 7.2. Communications.

For all Purchases, the System SCM Director shall establish procedures to ensure that communications from individuals outside the System regarding a Purchase shall be memorialized and maintained in the procurement file. Communications about a Purchase from or on behalf of a System Director or elected official shall also be memorialized and maintained in the procurement file. A listing of such communications shall also be memorialized in a log maintained by the System SCM Director and posted on the Supply Chain Management web page.

Section 7.3. Soliciting Charitable Contributions.

No Director of the System Board, directly, or through someone acting on his or her behalf, shall knowingly solicit a charitable contribution from a vendor who currently has or is seeking a contract with the System, unless such solicitation is on behalf of a charity created by the System or for the benefit of the System.

Section 7.4. Code of Ethics of the Cook County Code of Ordinances.

The following relevant provisions of the Code of Ethics of the Cook County Code of Ordinances are among those Code provisions that apply to System Purchases:

(a) Limitations of contributions to candidates and elected officials.

(1) No person who has done business with the County within the preceding four years or is seeking to do business with the County or is a lobbyist registered with the County shall make contributions in an aggregate amount exceeding \$1,500.00:

- (i) To any candidate for County office or elected County official during a single candidacy; or
- (ii) To an elected official of the government of the County during any nonelection year of his or her term.
- (iii) The combined effect of these provisions is intended to permit total contribution up to but not exceeding \$3,000.00 in a year in which a candidacy occurs. A year for purposes of this section is from January 1 to December 31 of each year.

(2) For purposes of Subsection (a) of this section, an entity and its subsidiaries, parent company or otherwise affiliated companies, and any of their employees, officers, directors and partners who make a political contribution for which they are reimbursed by the entity or its affiliates shall be considered a single person. However, nothing in this provision shall be construed to prohibit such an employee, officer, director or partner from making a political contribution for which he is not reimbursed by a person with whom he or she is affiliated, even if that person has made the maximum contribution allowed under Subsection (a) of this section.

(3) Any contributions made under this section shall be reported as required by the Election Code, 10 ILCS 5/1-1 et seq.

(4) For purposes of Subsection (a) of this section, "done business" or "doing business" means any one or any combination of sales, purchases, leases or contracts to, from or with the County or any County agency in excess of \$10,000.00 in any 12-consecutive months. "Done business" or "doing business" also means representation involving real property assessments, property tax appeals, zoning matters, and property tax incentives, the total fees of which earned or accrued by a person exceed \$10,000.00 in any 12 consecutive months during the previous four years. . . .

(5) For purposes of Subsection (a) of this section, "seeking to do business" means taking action within the past six months to obtain a contract or business with the County when, if such action were successful, it would result in the person doing business with the County as defined in Subsection (d) of this section."

(b) *Interest in County business.*

No elected official or employee shall have a financial interest in his or her own name or in the name of any other person in any contract, work or business of the County or in the sale of any article, whenever the expense, price or consideration of the contract, work, business or sale is paid with funds belonging to or administered by the County. Compensation for property taken pursuant to the County's eminent domain power shall not constitute a financial interest within the meaning of this section. Unless sold pursuant to a process of competitive Bidding following public notice, no elected official or employee shall have a financial interest in the purchase of any property that:

- (1) Belongs to the County;
- (2) Is sold for taxes or assessments; or
- (3) Is sold by virtue of legal process at the suit of the County.

No appointed official shall engage in a transaction described in this Subsection (b) of this section unless the matter is wholly unrelated to the appointed official's County duties and responsibilities. For purposes of this Subsection (b), the term "financial interest" shall not include the interest of the spouse of an official or employee which interest is related to the independent occupation, profession or employment of the spouse."

PART VIII. CONTRACT MANAGEMENT

8.1. Contracts.

(a) *Purpose and Funding.* The purpose of this Part is to ensure that Contracts are performed in accordance with the Contract terms. The extent to which this Part is implemented shall be limited to the availability of funding.

(b) *Information to be contained in Contracts.* All Contracts which include the performance of Services shall contain a provision requiring the Contractor to adhere to the applicable standards of any accreditation or licensing organization utilized by the System which may be relevant in the performance of the Contract including, but not limited to, The Joint Commission and the Illinois Department of Public Health.

(c) *Review of Contracts.* All Contracts shall be reviewed on a periodic basis by the System SCM Director, or designee, and a designee of the Using Department.

(d) *Content.* The following shall apply to Contracts over \$1,000,000.00, as applicable:

- (1) Specifications, contract period, allowable renewals or extension periods, and procedures for amendments or changes;
- (2) Specific measurable deliverables, reporting requirements and due dates;
- (3) Payment schedules (including identification of payments that are tied to acceptance of deliverables or contract completion) and escalation factors;
- (4) Performance standards;
- (5) Appropriate signatures, approvals, acknowledgements, or witnesses;
- (6) Review and approval as to form by an attorney from the Cook County State's Attorney's Office prior to execution.

Section 8.2. Contract management.

This Section shall apply to contracts over \$1,000,000 or as designated by the System SCM Director. The Supply Chain Management Department shall have primary responsibility for management and oversight of contracts.

(a) Monitoring. The System SCM Director shall identify which Contracts shall be monitored at the Using Department level or at the System Level consistent with applicable accreditation standards.

(b) Contract Liaison. The Using Department or applicable Department shall designate one or more individuals with appropriate knowledge, skills and time who shall serve as “Contract Liaison” to monitor the performance of the Contract within that Using Department. The Contract Liaison's duties shall include:

- (1) Monitoring performance of the Contract in accordance with its terms and reporting the results to the System SCM Director utilizing such forms or systems as the System SCM Director may implement;
- (2) Tracking budgets and comparing invoices and charges to verify compliance with contract terms and conditions before submitting them for payment, until automated systems are implemented to permit auditing of charges against contract pricing;
- (3) Documenting issues such as timeliness of performance and acceptance or rejection of deliverables and notifying the System SCM Director if action is required to enforce the Contract terms; and
- (4) Documenting compliance with Contract terms on a periodic basis during the term of the Contract and reporting this information to the System SCM Director.

(c) Procedures and Training. The System SCM Director shall:

- (1) Create uniform evaluation forms and procedures.
- (2) Establish a process to ensure that evaluations made during the prior three years are utilized in determining whether a Bidder or Proposer is Responsible;
- (3) Arrange for appropriate training of Contract Liaisons utilizing appropriate organizations and materials, particularly as applicable to procurement within the healthcare industry.

Section 8.3. Invoices required for all service Contracts.

(a) Work Performed. All Contracts for services, regardless of compensation structure, shall contain a provision requiring the Contractor to maintain and submit for review upon request by the System, itemized records indicating the dates that services were provided, a detailed description of the work performed on each such date, and the amount of time spent performing work on each such date.

(b) Expenses. Contracts for services shall also require Contractors to submit documentation of the types and amounts of expenses incurred related to the work performed if the Contractor seeks reimbursement for any such expenses incurred.

(c) Invoice Documentation. All Contracts for services, regardless of compensation structure, shall contain a provision requiring the Contractor to submit itemized records indicating the dates or time period in which the services being invoiced were provided, a detailed description of the work performed for the time period being invoiced and the amount of time spent performing work for the time period in question. In addition, all Contracts for services that are procured as Sole Source must also contain a provision requiring the Contractor to submit itemized records indicating the dates that services were provided, a detailed description of the work performed on each such date, and the amount of time spent performing work on each such date.

(d) Payment. All Contracts for services shall further require that the itemized work and expense records required in Section 34-310 (b) and (c) of the Cook County Code of Ordinances be submitted to the System with the Contractor's invoice as a condition of payment for any services rendered.

Section 8.4. No payment prior to submission of invoice.

The County Comptroller shall not issue a payment to any Contractor providing services who has not submitted the requisite invoice with work and expense records unless the Contractor has been approved for advance payment by the System SCM Director per the Contract. The Comptroller shall not issue an advance payment to any Contractor providing services unless the invoice includes written authorization from the Using Department documenting the contractual basis for the advance payment. Contractors approved for advance payment shall be required to submit invoices providing work and expense records as described above in Section 34-310 on at least a monthly basis.

PART IX. MISCELLANEOUS

Section 9.1. Amendments to this Policy; New Policies and Procedures.

Any change to this Policy requires the approval of the System Board. The System Chief Executive Officer or designee may approve supplemental rules, policies and procedures that are not inconsistent with this Policy and are proposed by the System SCM Director to implement the provisions of this Policy or to address practices to be administered or followed by the System Department of Supply Chain Management in carrying out functions or effectuating transactions not described in this Policy.

Section 9.2. Effective Date; Implementation Transition.

This Policy shall be effective upon the approval of the System Board. This notwithstanding, in order to provide for an orderly transition of responsibilities from the County's Purchasing Agent and the Office of Contract Compliance to the System and the System's System SCM Director, the provisions of this Policy will be implemented, in whole or in part, at the direction of the Chief Executive Officer when in his or her discretion the System has the capability to undertake the specific powers and responsibilities set forth herein.

Section 9.3. Cook County Procurement Code.

This Policy refers to compliance with certain requirements set forth in Article IV, Procurement and Contracts, of the Cook County Code of Ordinances ("Cook County Procurement Code"). This Ordinance is available online at <http://www.municode.com>. It is the intention of the System to act in a manner that is consistent with the Cook County Procurement Code, while retaining flexibility to design processes that will assist System in delivering quality patient care and in implementing efficient, cost-effective services. In the event the County Board amends the Cook County Procurement Code, the System SCM Director is authorized to implement practices and procedures consistent with those amendments pending the System Board's corresponding change to this Policy.

END OF PROCUREMENT POLICY

Cook County Health and Hospitals System
Minutes of the Board of Directors Meeting
October 27, 2011

ATTACHMENT #6

| Cook County Health and Hospitals System FY 2012 Budget Summary | | Cook County Health and Hospitals System FY2012 Budget Summary 10/27/2011 | | 2011 Budget with 5% Reduction | CCHHS Budget System Approved | CCHHS Budget President's Rec. |
|---|--|--|-------------------|----------------------------------|---------------------------------|----------------------------------|
| Department # | Deparment Name | | | | | |
| | 240 Cermak Health Services | \$ 41,116,357.00 | \$ 39,147,007.00 | \$ 39,147,007.00 | | |
| | 241 JTDC | \$ 3,528,792.00 | \$ 3,925,021.00 | \$ 3,925,021.00 | | |
| | 890 Office of the Chief Health Administrator | \$ 155,524,278.00 | \$ 187,819,023.00 | \$ 187,819,023.00 | | |
| | 891 Provident Hospital | \$ 62,881,492.00 | \$ 52,537,476.00 | \$ 52,537,476.00 | | |
| | 893 ACHN | \$ 49,600,193.00 | \$ 46,489,930.00 | \$ 46,489,930.00 | | |
| | 894 The Ruth Rothstein CORE Center | \$ 11,347,896.00 | \$ 11,902,125.00 | \$ 11,902,125.00 | | |
| | 895 Department of Public Health | \$ 17,627,177.00 | \$ 17,273,527.00 | \$ 17,273,527.00 | | |
| | 897 John H. Stroger jr. Hospital | \$ 408,437,833.00 | \$ 432,679,335.00 | \$ 432,679,335.00 | | |
| | 898 Oak Forest Health Center | \$ 49,648,659.00 | \$ 35,858,115.00 | \$ 35,858,115.00 | | |
| | 899 Health Fund Fixed Charges | \$ 112,147,554.00 | \$ 104,686,887.00 | \$ 66,386,887.00 | \$ 38,300,000.00 | |
| Total Expense | | \$ 911,860,231.00 | \$ 932,318,446.00 | \$ 894,018,446.00 | | |
| less: Est. Revenue | Estimated Revenue | \$ 638,436,000.00 | \$ 640,100,000.00 | \$ 630,000,000.00 | | |
| less: Est. County Subsidy | County Subsidy | \$ 273,424,231.00 | \$ 248,000,000.00 | \$ 252,000,000.00 | | |
| less: Miscellaneous Revenue - retro rate adjustment | Miscellaneous Revenue - Retro Rate Adj. | | | \$ 10,100,000.00 | | |
| Total Expense Less Revenue/Subsidy | | \$ - | \$ 44,218,446.00 | \$ 1,918,446.00 | \$ 1,918,446.00 | |
| Speccial Purpose Funds | | | | | | |
| | 544 Lead Poisoning Prevention | \$ 2,965,553.00 | \$ 1,388,957.00 | \$ 1,388,957.00 | | |
| | 564 TB Sanitarium | \$ 7,079,751.00 | \$ 5,715,915.00 | \$ 5,715,915.00 | | |
| | | \$ 10,045,304.00 | \$ 7,104,872.00 | \$ 7,104,872.00 | | |
| Less: Estimated Special Purpose Revenue | | | \$ 2,508,252.00 | \$ 2,508,252.00 | | |
| | | | \$ (4,596,620.00) | \$ (4,596,620.00) | | |
| Special Purpose Fund Balance | | | | | | |
| | 544 Lead Poisoning Prevention | | \$ 2,911,219.00 | \$ 2,911,219.00 | | |
| | 564 TB Sanitarium | | \$ 18,419,310.00 | \$ 18,419,310.00 | | |
| Gap To be Closed | Gap to be Closed | | | | \$ 40,218,446.00 | |

Cook County Health and Hospitals System
Minutes of the Board of Directors Meeting
October 27, 2011

ATTACHMENT #7



Conflict of Interest

Cathy Bodnar, MS, RN, CHC
Chief Compliance Officer

October 27, 2011





The Policy

- Provides a framework to ensure that business activities are conducted free from influence.
- Protects the interest of CCHHS when contemplating transactions or arrangements that may be of benefit.
- Outlines procedures for disclosing and resolving potential or actual conflict(s).

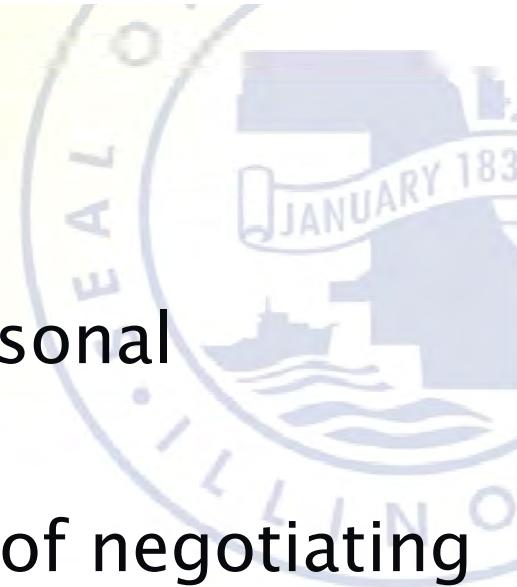
It's about accountability, responsibility, and transparency.



Who is “Covered”?

Anyone carrying out business or professional activities of CCHHS.

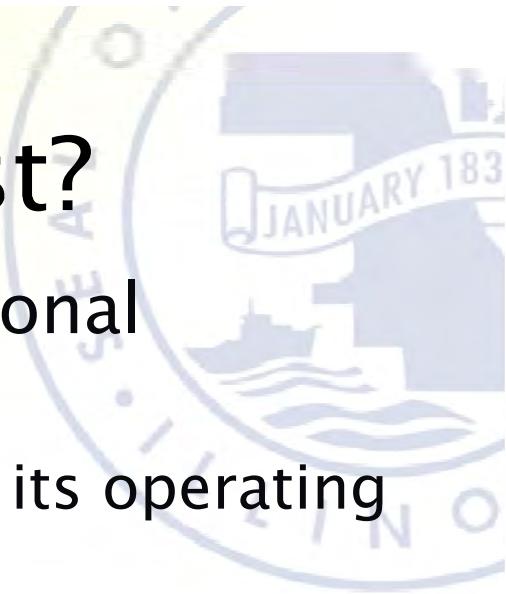
- Officers,
- Directors,
- Board Committee Members,
- Advisory Councils,
- Employees,
- Members of the CCHHS medical staff or house staff,
- Researchers,
- Students, and
- Contractor Personnel.



When does this apply?

When a covered person or their personal relationship

- Has currently or is in the process of negotiating the creation of a contract or agreement,
- verbally or in writing,
- that involves the a commitment of (either in a single transaction or a combination of transactions)
- of \$2,500 or more of CCHHS funds or funds controlled by CCHHS.



When could a conflict exist?

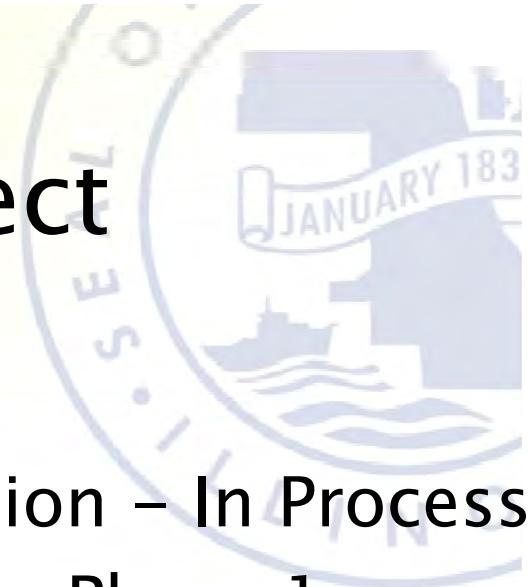
When a covered person (or their Personal Relationship)

- is doing business with CCHHS or any of its operating units;
- has an interest in any issue, item, matter or transaction that involves CCHHS or its operating units or that is under consideration by CCHHS or its operating units;
- is in a position to influence business or other decisions in ways that could lead or appear to lead to the personal gain or advantage of such person, his/her Personal Relationships, or outside entities.



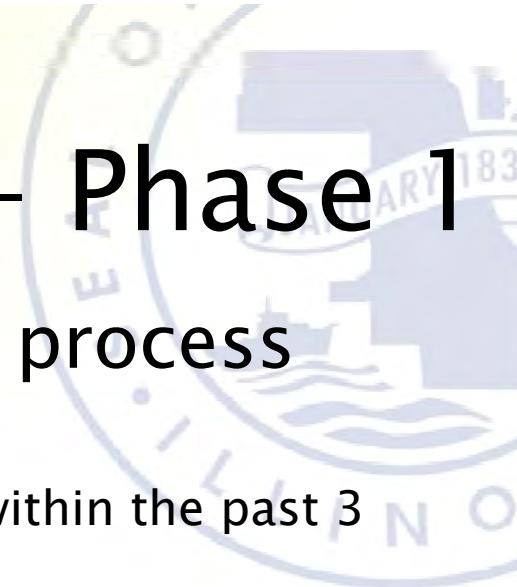
Questions?





Conflict of Interest Project

- Policy Approval – Complete.
- Communication and Dissemination – In Process.
- Disclosure Survey Development – Phase 1.
- Process Automation – In Process.
- Integration of Survey – Phase 1, In Process.



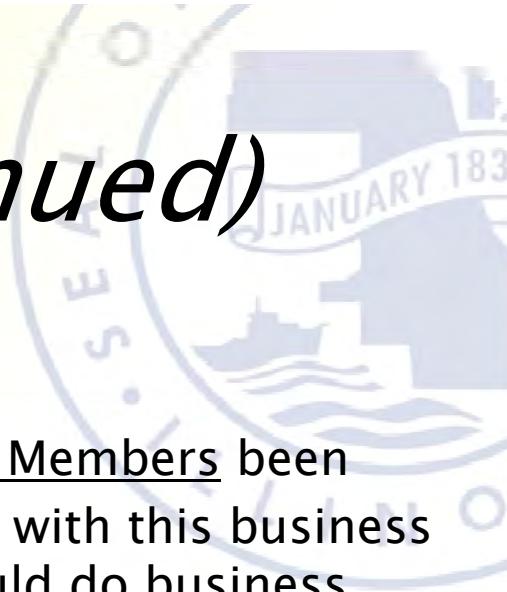
Survey Development – Phase 1

Embed within the procurement process

- Draft Questions,
 1. Have you collaborated with this business within the past 3 years?

Collaborated, in this context, means to partner with this business, formally or informally, whether paid or unpaid, in your current role or in prior roles for the time period specified.

Business is defined as any vendor, consultant, contractor, organization, corporation, industry, or any other entity, whether for-profit or not-for-profit.

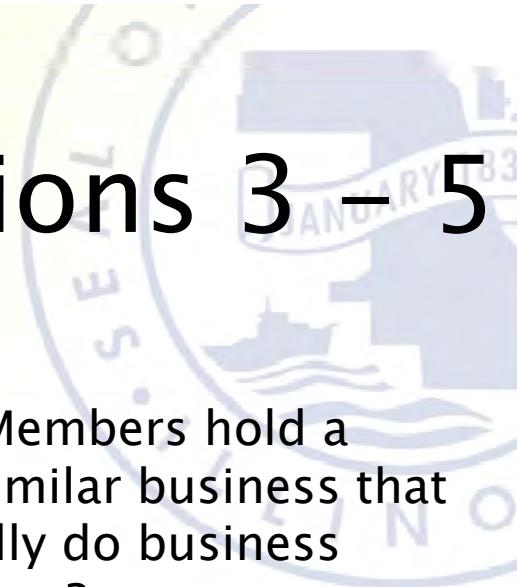


Draft Questions (*continued*)

Draft Questions (*continued*),

2. Have you or any of your Immediate Family Members been directed, induced, or influenced to engage with this business or in any similar business that does or could do business with Cook County Health & Hospitals System?

Immediate Family Members includes your spouse, domestic partner, and any relative by blood, marriage, or adoption. This would also include anyone living at the same residence or any person of significant influence.



Additional Survey Questions 3 – 5

Draft Questions (*continued*),

3. Do you or any of your Immediate Family Members hold a position with this business or any other similar business that currently does business or could potentially do business with Cook County Health & Hospitals System?

3. Do you or any of your Immediate Family Members have an ownership or investment interest in this business or any similar business that does or could potentially do business with Cook County Health & Hospitals System?

5. Have you or any of your Immediate Family Members received or been offered a gift or favor from this business or any similar business that does or could potentially do business with Cook County Health & Hospitals System?

Process Automation



COOK COUNTY CLERK ETHICS ONLINE

Monday, September 05, 2011

STATEMENTS OF ECONOMIC INTERESTS

This site allows public access to Statements of Economic Interests (SEI) filed annually by nearly 24,000 government employees and elected officials in Cook County. There are four ways to retrieve the data: by a filer's name; by the name of an agency; by selecting an agency from dropdown menus; and by selecting one or more questions to view the answers. Three reports are also provided. All data is updated in real time. Please note that results can be downloaded as a CSV file.

Filing Year: 2010

Filer Search

To view a filer's SEI, enter his or her name below. The search tool will accept partial spellings.

First Name Last Name

Reports

The late and non-filer reports list filers who submitted an SEI after the May 2 deadline and filers who have not yet submitted. The multi-filer report shows filers who are required to file by more than one agency.

Agency Search

To view a list of all filers in an agency, use the keyword search below. Partial names, such as "Chicago," will return multiple results. Narrow your search by typing a full agency name (i.e. "Chicago Board of Education").

Agency Name

OR

To select an agency from a list, pick from each of the three dropdown menus below. The agencies are broadly grouped by level into four categories: Chicago, Cook County, Suburban and Other.

Step 1. Agency Level *

Step 2. Agency Type *

Step 3. Agency *

Question Search

To view filers who answered one or more questions, select "All" or a specific question such as "Q3." The CSV download will show more than results displayed on the screen.

Questions Answered

All
 Q1 Q2 Q3 Q4 Q5 Q6 Q7 Q8

[View question language](#)

OR

To search how filers answered questions, enter a keyword in the box below. The keyword will be listed in the CSV download found on the results screen.

Keyword

Feedback

Please send any feedback to: sei_feedback@cookecountyil.gov.



Survey Integration

- ▶ Phase 1 – limited
 - Initiate the survey process through procurement.
- ▶ Future phases
 - Survey all those who complete Cook County's Statements of Economic Interest,
 - And any others with decision-making authority, and
 - Additionally, capture those who receive government funding for biomedical and behavioral research. *(no later than August 24, 2012)*



Additional Questions?



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| Subject: ADMINISTRATIVE OPERATIONS | Page 1 of 5 | Policy #: 00.02.00 |
| Title: CONFLICT OF INTEREST (COI) | Approval Date: 07/13/2011 | Posting Date: 08/25/2011 |

PURPOSE

The purpose of this policy is to help ensure that the business and professional activities of the Cook County Health & Hospitals System (CCHHS) are conducted free of actual conflicts of interest, or the appearance of any conflicts of interest, and to protect the interests of CCHHS when it is contemplating entering into a transaction or arrangement.

AFFECTED AREAS

This policy affects Covered Persons within all CCHHS affiliated operating units including: John H. Stroger, Jr. Hospital of Cook County, Oak Forest Hospital of Cook County; Provident Hospital of Cook County; Cermak Health Services of Cook County, Ruth M. Rothstein CORE Center; Ambulatory & Community Health Network and Cook County Department of Public Health.

DEFINITIONS

- A. **Conflict of Interest:** A conflict of interest may exist when:
 - a. a Covered Person, or his/her Personal Relationships, is doing business with CCHHS or any of its operating units;
 - b. a Covered Person, or his/her Personal Relationships, has an interest in any issue, item, matter or transaction that involves CCHHS or its operating units or that is under consideration by CCHHS or its operating units;
 - c. a Covered Person, or his/her Personal Relationships, is in a position to influence business or other decisions including patient access or care of CCHHS in ways that could lead or appear to lead to the personal gain or advantage of such person, his/her Personal Relationships, or outside entities.
- B. **Covered Person:** All officers, directors, Board committee members, advisory councils, employees, members of the CCHHS medical staff or house staff, researchers, students and contractor personnel carrying out the business or professional activities of the CCHHS.
- C. **Doing Business:** Having or negotiating the creation of a contract or agreement, whether verbally or in writing, that involves the commitment of (either in a single transaction or a combination of transactions) \$2,500 or more of CCHHS funds or funds controlled by CCHHS.
- D. **Gift:** Any gratuity, discount, entertainment, hospitality, loan, forbearance, or other tangible or intangible item having monetary value including, but not limited to, cash, food and drink, and honoraria for speaking engagements related to or attributable to a person's status as a Covered Person.
- E. **Interest:** Any legal or equitable economic interest (whether or not subject to an encumbrance or a condition), activity, arrangement, or relationship, which is owned or held, either directly or indirectly, by a Covered Person (or through a Personal Relationship or Person of Influence) with any entity with which CCHHS has or may in the future be doing business. The term "Interest" includes, but is not limited to the following examples,

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- a. An ownership interest; serving as a member, officer, director, committee member, partner, paid consultant, or employee of the same or a related business, or having a financial interest in the same or a related business;
- b. Participation in any outside activity that could interfere significantly with the Covered Person's work time obligation;
- c. Receipt of fees, or other compensation or remuneration from an entity as a result of professional services, consulting, speaking engagements, royalties, patents, copyrights, or other intellectual property rights.

F. Personal Relationships: Covered Person's spouse, children, parents, siblings, grandchildren, and their spouses; the Covered Person's spouse's parents, siblings, children, grandchildren, and their spouses; and any Person of Influence.

G. Person of Influence: a person with a close personal or business connection with a Covered Person who would likely influence the decisions of the Covered Person.

POLICY

Covered Persons shall not be involved in any situation or circumstance that would cause the Covered Person to have a conflict of interest. This prohibition includes the Personal Relationships of the Covered Person.

No Covered Person shall accept any gift from any entity, or an employee, contractor or agent of an entity, with which CCHHS or its operating units is doing business or with which CCHHS has done business within the past three years.

Covered Persons are responsible for addressing conflicts of interest, whether actual or those that have the appearance of a conflict of interest. Covered Persons must comply with the provisions of this policy.

The CCHHS Conflicts of Interest Policy covers the following areas:

1. Conflicts of Interest in Day-to-Day Business Operations of CCHHS Affiliates
2. Conflicts of Interest in Patient Care
3. Conflicts of Interest in Research Activities
4. Conflicts of Interest in Educational Activities

All Covered Persons shall preserve and protect the interests and assets of CCHHS. The business and professional activities of CCHHS must be conducted in the best interests of CCHHS, without favoritism or preference based on personal considerations. Accordingly, each Covered Person must avoid situations, which may give rise to a Conflict of Interest or the appearance of a Conflict of Interest.

CCHHS has adopted a Standard of Conduct (Code of Ethical Conduct) that supplements the Cook County Ethics Ordinance. This defines CCHHS' standards for ethical behavior by CCHHS Personnel in carrying out CCHHS operations. Among other things, the Code of Ethical Conduct is designed to protect the integrity of clinical decision-making. Patient care decisions must be based on the health care needs of the patient, independent of compensation, financial arrangement or favor that may benefit the health care provider or CCHHS.

Research activities at CCHHS must be carried out with the utmost integrity. All research activities must be approved in advance by the Institutional Review Board of the Cook County Health and Hospital System and by CCHHS management.

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Educational activities (including professional and public education) at CCHHS must be free from bias and carried out in a manner that serves the educational component of CCHHS' Mission and responsibilities as a public health system, and not the personal interests of any Covered Person.

Duty to Disclose: Covered Persons have a duty to disclose the existence of a possible Conflict of Interest and all material facts relating to the possible Conflict of Interest, as provided in this policy. No Covered Person who has or may have a Conflict of Interest with respect to a transaction or decision shall participate in the transaction or decision unless authorized to participate by Corporate Compliance.

PROCEDURE

- A. The Conflict of Interest process for CCHHS, including Disclosure Statements and conflict resolution, shall be coordinated by the System Corporate Compliance Office, in consultation with the Office of General Counsel. Questions regarding the Conflict of Interest Policy should be directed to the [Corporate Compliance Office](#).
- B. Required Reporters. The following Covered Persons are required to complete disclosure forms on an annual basis:
 1. Board of Directors members and committee members appointed by the Board
 2. Management and individuals in leadership positions
 3. Supply Chain Management personnel, members of committees charged with selection of products or services to be purchased and anyone in a position to influence purchasing decisions
 4. Any CCHHS personnel who have commitments or relationships with competing organizations
 5. Any CCHHS personnel who have outside employment relationships with businesses that seek to do business with CCHHS
 6. Any CCHHS personnel who previously had a conflict identified.
- C. Disclosure Statement (Conflict of Interest Disclosure Statement): Annually a Covered Person who is a Required Reporter must accurately complete a Disclosure Statement and affirm that they: (i) have received a copy of this Conflict of Interest Policy; (ii) have read and understand this Policy; and (iii) agree to comply with this Policy. Covered Persons will submit the Disclosure of Interests Statement on a timely basis to the CCHHS Corporate Compliance Office.
- D. Duty to Update Disclosure Statement: It will be the continuing duty of each Covered Person who is sent such a Disclosure Statement to advise the Chief Compliance Officer within 10 business days of the occurrence of any event that would have been described in the COI Disclosure Statement had it occurred or been known at the time the COI Disclosure Statement was originally completed.
- E. Addressing a Potential Conflict of Interest:
 1. If the Covered Person who may have a Conflict of Interest is a Board or Board Committee member or a member of executive management, the Covered Person shall report the Conflict to the Chief Compliance Officer. The Chief Compliance Officer, in consultation with the CCHHS Office of General Counsel, will review the facts of the situation and make a recommendation to the Chief Executive Officer (or his/her designee), or in the case of a Board member, the Chairman of the Board (or his/her designee), as to whether a potential Conflict exists.
 2. The CEO (or his/her designee), for those Covered Persons who are subject to his/her supervision,

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shall decide whether the potential conflict of interest that has been disclosed amounts to an actual conflict of interest. If it is determined that an actual conflict of interest exists then the following procedures shall be taken:

- a. The CEO (or his/her designee), shall direct that the Covered Person refrain from participating in the transaction or decision.
- b. The CEO (or his/her designee), may impose additional safeguards concerning the transaction or decision in order to protect CCHHS' interests. These may include, without limitation, (i) appointing a disinterested person or committee to oversee or review the proposed transaction or arrangement, or (ii) deciding not to pursue the transaction or arrangement.
- 3. In the case of a Board member, the Chairman of the Board shall allow the Board member to disclose the facts surrounding the potential conflict of interest to the Board of Directors in executive session if he/she so desires. Thereafter, the Board member with the potential conflict shall leave the room while the Board of Directors decides whether an actual conflict of interest exists. If it is determined that an actual conflict of interest exists then the following procedures shall be taken:
 - a. The Chairman of the Board shall direct that the Board member refrain from participating in the transaction or decision.
 - b. The Chairman of the Board may impose additional safeguards concerning the transaction or decision in order to protect CCHHS' interests. These may include, without limitation, (i) appointing a disinterested person or committee to oversee or review the proposed transaction or arrangement, or (ii) deciding not to pursue the transaction or arrangement.
- F. Complete and accurate records shall be maintained of all investigations and determinations under this Policy.

POLICY UPDATE SCHEDULE

At least every three (3) years, or more often as appropriate.

REGULATORY REFERENCES

Cook County Ethics Ordinance; Section 2-578 (*Conflicts of Interest*)
 Federal Sentencing Guidelines
 Federal Anti-Kickback Statute (Stark)
 National Institute of Health Guidance
 American Medical Association Guidance
 PhRMA Code on Interactions with Healthcare Professionals
 OIG Self Disclosure Protocol
 Physician Payment Sunshine Act
 Fraud Enforcement and Recovery Act of 2009
 Joint Commission Standard LD.04.02.01

POLICY REFERENCES

CCHHS Standards of Conduct (Code of Ethical Conduct)

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POLICY LEAD

Cathy Bodnar, MS, RN, CHC
CCHHS, Chief Compliance Officer

REVIEWERS

Audit & Compliance Steering Committee
Office of General Counsel

APPROVAL PARTIES

Terry Mason, MD
CCHHS, Interim Chief Executive Officer
Electronically Approved: July 13, 2011

Audit & Compliance Committee of the Board of Directors
Approved June 7, 2011

REVIEW HISTORY

Written: June 6, 2011

Replaces: Oak Forest Hospital COI Policy January 2009

Cook County Health and Hospitals System
Minutes of the Board of Directors Meeting
October 27, 2011

ATTACHMENT #8

RAM RAJU, MD, MBA, FACHE, FACS
CHIEF EXECUTIVE OFFICER
COOK COUNTY HEALTH AND HOSPITALS SYSTEM
REPORT TO THE BOARD OF DIRECTORS
October 27, 2011

THANK YOU

I want to thank you for the opportunity you have given me to serve the more than 800,000 patients of the Cook County Health and Hospitals System (CCHHS). I have walked through several of our facilities and had the occasion to meet with our dedicated doctors, nurses, medical, clerical, professional and service staff

My vision for the future of the Cook County Health & Hospitals System is to continue to build on the great work that has already been done and to seek opportunities to enhance what we do. CCHHS can become a national model of quality medical care – from registration to discharge and every aspect in between – for all residents seeking care within our System.

In these uncertain economic times, I want you to know that I will do my best to lead CCHHS by example. I will work hard and I'm asking all to join me in the effort to improve our efficiency and customer service, attract more patients, curb our wait times, and be responsive to the communities we serve.

In the days to come, we will face difficult decisions and effective change will not occur overnight. I am eager and excited about working with you and I embrace this opportunity with confidence that together, we can rise above every challenge and that success is within reach.

FY2012 BUDGET

President Preckwinkle presented the FY2012 Budget to the Cook County Board of Commissioners. I spent two days with the President, Finance Committee Chairman Daley and the County Budget Director Andrea Gibson meeting with the various editorial boards. Over the last few weeks the Health System has worked collaboratively with the County finance team to identify further savings and/or additional revenue in light of the critical revenue shortfall the County has projected for FY2012. The additional savings consist of expenditure reductions including increased efficiencies, and contract savings as well as additional projected revenue increases. Through this process we are continuing to build a positive working relationship with President Preckwinkle and her staff.

BOARD OF DIRECTORS VACANCY

The Nominating Committee of the Cook County Health and Hospitals System met on Friday, October 21, 2011 and selected three names to fill the vacancy left by the resignation of Director Andrea Zopp. The three names chosen by the committee were Rev. Calvin S. Morris, PhD, Ruth M. Rothstein and Mary Richardson-Lowry were submitted to President Preckwinkle for her consideration. The President will submit her choice to fill the vacancy to the County Board for approval. The appointment will appear on a County Board Agenda and referred to the Legislation and Intergovernmental Relations Committee chaired by Commissioner Larry Suffredin for consideration. The County Board then has 14 days (or the next regular meeting of the County Board) to approve or reject the appointment.

CARELINK

CareLink was previously piloted at the Oak Forest Campus and Provident Hospital with more than 8,000 applications processed so far as part of the pilot program. On October 24, 2011 Carelink was rolled out System-wide. On the first day 185 patients presented with completed documents, to date four hundred patients were seen. After transitioning the entire System to CareLink, the last phase of the program – the collection of copayments and service fees – will be rolled out.

PHYSICIAN INDEMNIFICATION

On Tuesday, October 18, 2011 the Cook County Board of Commissioners approved an amendment to the Ordinance establishing the Cook County Health and Hospitals System, The Health System requested this amendment in conjunction with our provider billing initiative and in response to concerns raised by our practitioners. Those concerns involved the Health System's contract with McKesson which provides that McKesson will assist the Health System with coding and in the preparation and submission of provider billing to Medicare, Medicaid and private third party payors. Specifically, the amendment provides for indemnification of practitioners for liability arising out of the preparation or submission of a bill seeking payment for services provided by the practitioner for the Health System, to the extent such liability arises out of the negligent or intentional acts or omissions of a person or persons, other than the provider, acting on behalf of the Health System (such as McKesson).

I would like to thank the clinical leadership, SEIU Doctors Council and Elizabeth Reidy for all their efforts to resolve the concerns raised by our practitioners so that the Health System can proceed with its initiative to bill for professional services. The physician billing effort is critical component of the financial stability of the Health System. This is a great example of how we can collaboratively work together to

come to a resolution that allows us to move forward. I would also like to thank Commissioners Butler and Goslin for sponsoring the ordinance amendment and President Preckwinkle and the Cook County Board of Commissioners for their support.

PREGNATAL SERVICES CLINIC MOVE

The Maternal Child Clinical Service Line Implementation Plan Team lead by Carol Schneider and Shirley Bomar-Cole continues to further develop that service line consistent with the Strategic Plan: Vision 2015. On September 26, 2011 the Prenatal Clinic moved from the fourth floor of the Fantus Clinic to the first floor of Stroger Hospital. A few days ago I walked through the old clinic site at Fantus and the new clinic site at Stroger Hospital with the System Leadership Team to see the improved environment for our patients and our employees. There will be a grand opening/ribbon cutting when the space is fully completed. Valet Parking Services were instituted in June of 2011 for our maternal child patients. Also in May of 2011 CCHHS partnered with Circle Family Health Center to provide onsite prenatal services which resulted in the first baby board at Stroger Hospital born in September 2011 and more expected in November/December 2011.

PROVIDENT HOSPITAL ACCREDITATION

At Provident Hospital the Joint Commission Clinical System Survey took place October 12-14, 2011 and the Life Safety Survey October 17-18, 2011. There was one single indirect impact finding for the Clinical System Survey and two direct impact and one indirect impact finding for the Life Safety Survey – corrective actions are already in place. This was a very successful survey, thank you to Robert Hamilton and the entire Provident Team.

SUPPLY CHAIN MANAGEMENT DIRECTOR

The new Director of Supply Chain Management Regina Besenhofer - 20+ years of experience managing large-scale supply chain operations, including planning, forecasting logistics, and distribution. She has experience in mergers & acquisitions, financial and organizational turnarounds, joint venture start-ups, corporate buy and sells events and real estate operations. Has worked for the following health systems – The Methodist Hospitals, Inc.; Alexian Brothers Health System; AG Communication Systems Corporation (Lucent/Alcatel).

INTERIM CEO

I would like to acknowledge Dr. Terry Mason for his service in the role of Interim Chief Executive Officer, as an advocate for the Health System and its mission with the System's various stakeholders throughout the community. During his tenure as Interim Chief Executive Officer, Dr. Mason provided enthusiastic leadership and wise counsel to members of the Health System's Senior Leadership Team and worked collaboratively with the Health System Board of Directors in advancing the Health System's mission and its Strategic Plan: Vision 2015. I thank Terry for his outstanding service as Interim Chief Executive Officer of the Cook County Health and Hospitals System, his counsel during this transition and look forward to continuing our work together.